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## STATE OF INDIANA, FAMILY AND SOCIAL SERVICES ADMINISTRATION, CHILD CARE AND DEVELOPMENT FUND (CCDF)

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## DEFINITIONS

**ADULT:**

An individual who is age 18 or older.

**ADVERSE ACTION:**

An action towards a recipient that includes denial and/or termination of services, increased fees, or a reduction in services. Clients must be notified at least ten calendar days before an adverse action can be imposed.

**AGE CATEGORY:**

A category by age; infants (0-11 months), toddlers (12-35 months), three years through four years, five years, kindergartners, and school-age.

**ANNUAL CORPORATE REPORT:**

The forms which must be filed annually with the Secretary of State to maintain the authority to do business as a corporation in Indiana. Foreign Corps-Forms 119 (based outside of Indiana) Domestic Corps: For Profit- Form 120, Not-for Profit- Form 121.

**APPEAL:**

The right to request a hearing or administrative review as a result of an adverse action.

**APPLICANT:**

A person who is applying for services on behalf of the child(ren) for which they have physical custody. The applicant must be a person related to the eligible child by blood or law, or is a person standing *in loco parentis* (in the place of a parent). The applicant must be age 18 or over unless the applicant is married, an emancipated minor, or a minor parent.

**ATTENDANCE:**

The total number of children present at any one time at the child care setting.

**ATTENDING TRAINING/EDUCATIONAL PROGRAM:**

One is "attending" job training or an educational program when participation occurs outside of the home for a job training or educational program.

**CAREGIVER:**

An individual, 18 years of age or over, who is responsible for the direct care, protection, and supervision of children in the absence of the custodial adult.

**CAREGIVER REIMBURSEMENT:**

Sometimes termed provider reimbursement, which is made by the Central reimbursement Office (CRO) to the child care provider for child care services rendered or the parent in the case of "In Home Care". This reimbursement will be made no less than twice per month. The caregiver is to follow the claims schedule provided in their enrollment packet.

**CATEGORIES OF CARE:**

Types of child care settings such as center-based, child care home, and in-home care.

**CENTER-BASED CHILD CARE:**

A provider licensed to provide child care services where at least one child is cared for in a nonresidential structure.

**CENTRAL REIMBURSEMENT OFFICE (CRO)**

An entity that validates and processes claims from child care providers.

**CERTIFIED PROVIDER:**

A provider, who is either licensed or exempt from being licensed by law, has met all minimum standards and has completed the application process. This includes: licensed centers, facilities and homes; registered day care ministries; legally license-exempt child care homes; relative care (grandparent, great-grandparent, aunt, and/or uncle); school-age child care sites; and pre-school sites.

**CHARGE CATEGORY:**

The different ways to charge fees: hourly, daily, or full time weekly.

**CHILD:**

An individual who is under the age of 18.

**CHILD WITH SPECIAL NEEDS:**

A child who is enrolled in one or more of the following programs:

- Children with Special Health Care Services;
- First Steps Early Intervention System;
- Public School Special Education;
- Supplemental Security Income (SSI); or
- Child who attends Head Start and has been professionally diagnosed with a disability

**CHILD CARE DEVELOPMENT FUND (CCDF):**

The CCDF was authorized by Congress through the U. S. Department of Health and Human Services to amend the Child Care and Development Block Grant. The purpose of the CCDF is to have one single, integrated child care funding system to assist low-income families through subsidized child care and to increase the availability and quality of child care services.

**CHILD DEVELOPMENT ASSOCIATE CREDENTIAL (CDA):**

A competency-based certification for individual child care providers awarded through the Council of Early Childhood Professional Recognition.

**CITIZEN:**

A person who is a citizen of the United States or a qualified alien.

**CLIENT:**

A recipient of services.

**CONSTRUCTION:**

The building of a child care facility which does not currently exist.

**CONTRACT:**

A legal document which may exist between the State of Indiana and the Intake Agent/grantee or between the State of Indiana and a certain number of contracted child care centers. The document describes the service to be purchased, the term, the reimbursement rate, and the conditions of service delivery. Also known as the "agreement".

**CO-PAY:**

The fee for child care for a family according to the Division of Family Resources Child Care Income Eligibility Determination and Sliding Fee Schedule.

**COUNTY MARKET RATE:**

The maximum reimbursement rates established in each county for each child care charge category by age and provider type.

**COUNTY TEAM:**

Within each county a group that consists of the following: representative of the Step Ahead Council, Intake Agent, Local DFR Director and local Child Care Resource and Referral.

**DECLARATION:**

A method of identifying family gross monthly income. No verification of income is required.

**DEVELOPMENTALLY APPROPRIATE:**

Developmentally appropriate have two dimensions: age appropriateness and individual appropriateness. Programs must incorporate activities that acknowledge typical development of children within their age span and also address each child's uniqueness as a person who has an individual personality, learning style, and background.

**DIRECT SERVICES:**

CCDF funding component that is issued as vouchers for child care services or contracted with certain child care center providers for child care services.

**EDUCARE:**

A term used to encompass all programs for children across the spectrum and convey the sense of appropriate experiences for young children, including both care and education of children.

**ELIGIBILITY DETERMINATION:**

The procedure required to determine that an individual or family meets the criteria for receiving services. Determination is based on the need for a service, residency in Indiana and variables of family size and income.

**EMANCIPATED MINOR:**

A married minor, or a minor residing apart from parents and financially independent with parental consent, or affirmed by legal action.

**ENROLLMENT YEAR:**

The 12-month period that a child is enrolled, including the first six months from the application date, plus the second six months after the re-determination date.

**FAMILY:**

One or more adults and children related by blood or law, or other person standing in loco parentis, residing in the same household. Where adults over the age of 18 (other than spouses) reside together, each is considered a separate family. Wards of the Local Office of the Department of Child Services (i.e., foster children on Title IV-E) are the legal responsibility of the Local Office of the Department of Child Services and not the family with which the child has been placed.

**FAMILY CHILD CARE HOME PROVIDER:**

An individual who provides child care services in a residential structure other than the child's residence.

**FEDERAL POVERTY LEVEL:**

Guidelines issued by Health and Human Services by the number in the family unit and income level to determine whether a person or family is financially eligible for assistance or services under a particular Federal program. These guidelines are based on poverty thresholds used by the Bureau of Census to prepare its statistical estimates of the number of persons and families in poverty. The poverty guidelines are adjusted each year to account for the last calendar year's increase in prices as measured by the Consumer Price Index.

**FOSTER PARENT:**

An individual who provides care and supervision as a substitute family on a 24-hour basis to a child who is deemed a ward of the local OFC. A foster parent, with the appropriate documentation, may be considered a valid applicant for enrollment of the foster child to the CCDF program.

**FOSTER CARE PER DIEM:**

The daily maintenance payment to a foster parent for the care of a child who is deemed a ward of the local DCS.

**FULL-TIME WEEKLY:**

Care provided for 25 hours or more per week, Sunday through Saturday. For non-school age children or for school age children when school is not in session, or when care is required during non-traditional hours. For school-age children when school is in session, care is defined as 15 hours or more per week, Sunday through Saturday.

**GRANTEE:**

A legal entity that has entered into a contractual agreement with the Indiana Family and Social Services Administration.

**GROSS FAMILY INCOME:**

Total income from all countable sources prior to taxes and deductions.

**INCAPACITATED PARENT:**

The parent who has a medical condition that prevents him/her from working or attending an educational or training program, and who is unable to care for children as verified by a doctor's statement. This could include a woman who is pregnant or who has recently given birth to a child.

**INCOME ELIGIBLE:**

Persons who are financially eligible for services. Income eligibility is based on the current poverty level with family size.

**INFANT/TODDLER PROGRAM:**

Center or home-based care for newborn to 35 month old children.

**IN-HOME CHILD CARE:**

Child care services provided by an individual who comes into the child's own home and does not reside at the child's address.

**INTAKE AGENT**

An entity which is, by contract, obligated to perform CCDF intake and eligibility functions according to state guidelines. These functions include, but are not limited to: verifying service need, verifying financial need, accurately enrolling a child with a certified provider according to the family's needs, performing recertifications as needed, and reporting suspected fraud.

**JOB TRAINING/EDUCATIONAL PROGRAMS:**

A formal progression of activities designed to lead to specifically defined educational goals or readiness for a specific field of employment and provided by an institution licensed or accredited by the state for this purpose.

**LEGAL GUARDIAN:**

A person appointed by a court to have the care and custody of a child or the child's estate, or both.

**LEGALLY LICENSE-EXEMPT FACILITY:**

The following are exempt from licensure per IC 12-17-.2-2-8.

1. A program for children enrolled in grade kindergarten through 12 that is operated by the Department of Education or a public or private school.
2. A program for children who become at least three years of age as of December 1 of a particular school year (as defined in IC 20-10.1-2-1) that is operated by the Department of Education or a public or private school.
3. A nonresidential program for a child that provides child care for less than four hours a day.
4. A recreation program for children that operates for not more than 90 days in a calendar year.
5. A program whose primary purpose is to provide social, recreational, or religious activities for school age children, such as scouting, boys club, girls club, sports, or the arts.
6. A program operated to serve migrant children that:
  - a) provides services for children from migrant worker families; and
  - b) is operated during a single period of less than 120 consecutive days during a calendar year.
7. A child care ministry registered under IC 12-17.2-6.
8. A child care program operated by a public or private secondary school that:



9. provides day care on the school premises for children of a student or an employee of the school;
  - a) complies with health, safety, and sanitation standards as determined by the division under IC 12-17.2-2-4 for child care centers or in accordance with a variance or waiver of a rule governing child care centers approved by the division, under IC 12-17.2-2-10; and
  - b) substantially complies with the fire and life safety rules as determined by the state fire marshal under rules adopted by the division under IC 12-17.2-2-4 for child care centers or in accordance with a variance or waiver of a rule governing child care centers approved by the division under IC 12-17.2-2-10.

LEGALLY LICENSE-EXEMPT PROVIDER:

1. A program for children enrolled in grade kindergarten through 12 that is operated by the Department of Education or a public or private school.
2. A program for children who become at least three years of age as of December 1 of a particular school year (as defined in IC 20-10.1-2-1) that is operated by the Department of Education or a public or private school.
3. A nonresidential program for a child that provides child care for less than four hours a day.
4. A recreation program for children that operate for not more than 90 days in a calendar year.
5. A program whose primary purpose is to provide social, recreational, or religious activities for school age children, such as scouting, boys club, girls club, sports, or the arts.
6. A program operated to serve migrant children that:
  - a) provides services for children from migrant worker families; and
  - b) is operated during a single period of less than 120 consecutive days during a calendar year.
7. A child care ministry registered under IC 12-17.2-6
8. A child care program operated by a public or private secondary school that:
  - a) provides day care on the school premises for children of a student or an employee of the school;
  - b) complies with health, safety, and sanitation standards as determined by the division under IC 12-17.2-2-4 for child care centers or in accordance with a variance or waiver of a rule governing child care centers approved by the division, under IC 12-17.2-2-10; and
  - c) substantially complies with the fire and life safety rules as determined by the state fire marshal under rules adopted by the division under IC 12-17.2-2-4 for child care centers or in accordance with a variance or waiver of a rule governing child care centers approved by the division under IC 12-17.2-2-10.

9. A child care home if the provider:
- a) does not receive regular compensation:
  - b) cares only for children who are related to the provider
  - c) cares for less than six children, not including children for whom the provider is a parent, step-parent, guardian, custodian, or other relative; or
  - d) operates to serve migrant children.

Related for purposes of IC 12-17.2 and IC 12-17.4 means any of the following relationships to an individual who is less than 18 years of age by marriage, blood, or adoption:

- |                     |                 |
|---------------------|-----------------|
| 1. Parent           | 7. Step-brother |
| 2. Grandparent      | 8. Step-sister  |
| 3. Brother          | 9. First cousin |
| 4. Sister           | 10. Uncle       |
| 5. Stepparent       | 11. Aunt        |
| 6. Step-grandparent |                 |

#### LICENSED PROVIDER:

A provider that meets the legal requirements of the state to provide child care services and has been issued a license by the Division of Family Resources to operate a child care facility or home.

#### MAJOR RENOVATION:

Involves structural changes to the foundation, roof, floor, exterior or load bearing walls of a facility, or the extension of a facility to increase its floor area. Also includes any extensive alteration of a facility such as to significantly change its function and purpose, even if such renovation does not include any structural change.

#### MEDICALLY FRAGILE CHILD:

A child characterized by the use of a particular medical device that compensates for the loss of the use of a body function and who requires substantial and complex daily care to avert death or further disability.

#### MEMORANDUM OF UNDERSTANDING (MOU):

A written agreement between two or more parties, that defines the roles and responsibilities of all parties.

#### MINOR PARENT

A parent who is under the age of 18.

#### MINOR REMODELING:

Includes any renovation other than major renovation or construction as defined in "Major Renovation".

#### NAEYC ACCREDITATION:

A voluntary, nationally recognized accreditation system for all types of early childhood centers and schools. It is authorized and validated by the National Academy of Early Childhood Programs, a division

of the National Association for the Education of Young Children (NAEYC).

**NAFCC ACCREDITATION:**

A voluntary, nationally recognized accreditation system for family child care homes. It is authorized and validated by the National Association of Family Child Care (NAFCC).

**NECPAC ACCREDITATION:**

A voluntary, nationally recognized accreditation system for early childhood centers. It is authorized and validated by the National Early Childhood Program Accreditation Commission.

**NON-TRADITIONAL CARE:**

Care provided outside Monday through Friday, 6:00 a.m. to 6:00 p.m., and sick child care.

**PARENT:**

A person related to the eligible child by blood, marriage, or adoption and including a legal guardian or other person standing *in loco parentis* (in the place of a parent).

**PERSONAL/ABSENT DAYS:**

Twenty days that a family may use for a child's absence in an enrollment year. Personal/absent days are to be used only for each child who is enrolled in full time care. These days can be used at the parent's discretion.

**PROTECTIVE SERVICES:**

Services provided by an established agency or organization to protect children or persons at risk of abuse/neglect or exploitation. May also be referred to as CPS (Child Protective Services). Income eligibility and fee requirements can be waived.

**QUALIFIED ALIEN:**

An alien who is lawfully admitted for permanent residence under the Immigration and Nationality Act; an alien granted asylum under this Act; a refugee admitted under this Act; an alien who is paroled into the U. S. for a period of a year; an alien for who deportation is being withheld under the Act; and/or an alien granted conditional entry pursuant to the Act.

**RATIOS (CHILD/STAFF):**

The maximum number of children permitted per direct child care provider in accordance with state regulations.

**RESIDENT:**

A person who lives in the county in Indiana where they are applying or receiving assistance. This can include a person temporarily residing in a domestic or homeless shelter. Also included are legal (qualified) aliens or students with visas. There is no minimum length of time a client must reside in Indiana.

**REGISTERED CHILD CARE MINISTRIES:**

Child care services provided by a religious organization which is exempt from state licensing, but must meet the minimum requirements of sanitation, fire prevention, and building safety pursuant to IC 12-3-2-12.7(c).

**RELATIVE CARE:**

An individual provider who resides in the child's home and is a grandparent, great-grandparent, aunt or uncle of the eligible child.

**SCHOOL-AGE CARE:**

Before – and/or after - school care services for children ages five to thirteen. Sites can include child care centers, child care homes, in-home care, community centers, schools, and churches.

**SUBGRANTEE:**

A provider of services who contracts with the FSSA / BCD grantee.

**SUBSIDY BEGIN DATE**

The date that the family is eligible to begin receiving CCDF. The subsidy begin date may not be more than two weeks prior to the application date.

**SUBSIDY END DATE**

The date, which CCDF services, will end, unless the family completes the recertification process according to established guidelines. Typically, the subsidy end date is six months after the subsidy begin date.

**SUBSTANTIATED:**

A determination regarding the status of a child abuse/neglect report whenever facts obtained during an investigation of the report provide credible evidence that child abuse or neglect has occurred.

**TEMPORARY MEDICAL CONDITION: (TMC)**

A condition which would not be considered permanent by a physician, medical practitioner, or Social Security administration. Temporary is defined as lasting less than 12 weeks. A condition which will limit a person's ability to work, attend school, seek employment or care for their children. A written Temporary Medical Condition statement must be provided by a medical practitioner, and provide estimated end date of the condition. Examples of TMC are: post surgery conditions, pregnancy situations, accident related conditions, and mental health related conditions:

**VOUCHER**

A document that authorizes reimbursement of child care services for a specific: child, provider, begin date, end date, and dollar amount. The voucher is not considered authorized until the provider reviews, signs, and returns it to the Central Reimbursement Office (CRO).

Multiple vouchers within the subsidy begin and subsidy end date may be created to facilitate flexibility and family choice.

**VOUCHER BEGIN DATE**

The date that a voucher is considered valid for provider reimbursement. The first voucher begin date must always be the same as the subsidy begin date.

**VOUCHER END DATE**

The date that a voucher is no longer considered valid for provider reimbursement.

**WAITING LIST:**

A list of children from families who meet financial and service eligibility for CCDF, but for whom there are no available CCDF funds.

**WEEK:**

Defined as Sunday through Saturday

**WORKING:**

A person receiving wages or salary for performing services for another person or organization or receiving compensation for a service or product, that person is said to be a working person.

## ACRONYMS

ABE:	Adult Basic Education	
ADA:	Americans with Disabilities Act	
AFDC:	Aid to Families with Dependent Children (replaced by TANF)	
AIS:	Automated Intake System (child care)	
BCD:	Bureau of Child Development	
CA/N:	Child Abuse / Neglect	
CAA:	Community Action Agency	
CAP:	Community Action Program	
CCDBG:	Child Care and Development Block Grant (replaced by CCDF)	
CCDF:	Child Care and Development Fund	
CCRR:	Child Care Resource and Referral	
CDA:	Child Development Associate	
CHINS:	Child In Need of Services	
CMT:	Contract Management Team	
CPS:	Child Protective Services	
CRO:	Central Reimbursement Office	
DFR:	Division of Family Resources	DCS    Department of Child Services
DOA:	Department of Administration	
DOE:	Department of Education	
DS:	Direct Service	
EC:	Early Childhood	
EI:	Early Intervention	
ESL:	English as a Second Language	
FC:	Foster Care	
FCC:	Family Case Coordinator	
FCM:	Family Case Manager	
FPL:	Federal Poverty Level	
FS:	First Steps	
FSSA:	Family and Social Services Administration	
GED:	General Equivalency Diploma	
HHS:	Health and Human Services	

IACCRR:	Indiana Association of Child Care Resource and Referral
IAEYC:	Indiana Association for the Education of Young Children
IASACC:	Indiana Association of School Age Child Care
IC:	Indiana Code
ICES:	Indiana Client Eligibility System (Food stamps, Medicaid, TANF)
IEP:	Individual Education Plan
ILCCA:	Indiana Licensed Child Care Association
IMPACT:	Indiana Manpower Placement and Comprehensive Training
IPIN:	Indiana Parent Information Network
IRS:	Internal Revenue Service
ISETS:	Indiana Support Enforcement Tracking System (Child support)
LLEP:	Legally License-exempt Provider
MOU:	Memorandum of Understanding
NAEYC:	National Association for the Education on Young Children
NEC-TAS:	National Early Childhood Technical Assistance System
OCF:	Office of Community Planning
OFC:	(Local) Office of Family and Children
PAC:	Public Assistance Caseworker
PIC:	Private Industry Council
PIR:	Program Information Report
POA:	Plan of Action
PRWORA:	Personal Responsibility and Work Opportunity Reconciliation Act of 1996
RFF:	Request for Funds
RFP:	Request for Proposal
RID:	Recipient Identification Number
SA:	Step Ahead
SAC:	School Age Care (formerly School Age Child Care - SACC)
SPAC:	Senior Public Assistance Caseworker
SSA:	Social Security Administration
SSBG:	Social Services Block Grant
SSI:	Supplemental Security Income
SSN:	Social Security Number
TA:	Technical Assistance

TANF: Temporary Assistance to Need Families (formerly AFDC)

## **STATE OF INDIANA**

### **FAMILY AND SOCIAL SERVICES ADMINISTRATION**

### **CHILD CARE AND DEVELOPMENT FUND (CCDF)**

#### **INTRODUCTION**

The Child Care and Development Fund (CCDF) was authorized by Congress through the U. S. Department of Health and Human Services, by amending the Child Care and Development Block Grant regulations at 45 CFR Part 98. Section 103 (c) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) repealed the child care programs authorized under Title IV-A of the Social Security Act – Aid to Families with Dependent Children (AFDC) Child Care, Transitional Child Care, and At-Risk Child Care. In addition, PRWORA amended Section 418 of the Social Security Act to provide new federal child care funds and to transfer them to a “Lead Agency” under the amended Child Care and Development Block Grant Act.

In Indiana, the lead agency for the CCDF funding is the Family and Social Services Administration (FSSA), Division of Family Resources (DFR).

The DFR develops and implements policies and procedures for the administration of the grant funds. The CCDF State Plan outlines parameters for both local and state levels and includes program outcomes, systems development, and eligibility requirements.



## CCDF GOALS AND PURPOSES

Section 98.1 of the CCDF Final Rules outlines the goals and purposes of the fund, as follows:

The goals are to:

- allow the state maximum flexibility in developing child care programs and policies that best suit the needs of the children and parents within the state;
- promote parental choice to empower working parents to make their own decisions on the child care that best suits their family's needs;
- provide consumer education information to assist parents in making informed child care choices;
- assist parents with child care who are trying to achieve independence from public assistance; and
- assist in implementing the health, safety, licensing, and registration standards established by state regulations.

The purposes are to:

- increase the availability, affordability, and quality of child care services;
- provide low income families with the financial resources to locate and afford quality child care for their children;
- enhance the quality and increase the supply of child care for all families, including those who receive no direct assistance under the CCDF;
- provide parents with a range of options in addressing their child care needs;
- strengthen the role of the family;
- improve the quality of, and coordination among, child care programs and early childhood development programs; and
- increase the availability of early childhood development and before- and after- school-age care.

## **PURPOSE OF THIS MANUAL**

The purpose of this manual is to provide CCDF Intake Agents with policies, procedures and guidelines to follow as they facilitate intake and eligibility services to prospective CCDF families. The manual includes business rules that are supported in the Intake Software Web-Based system. These business rules were developed to ensure that program policy and guidelines are followed in a consistent manner.

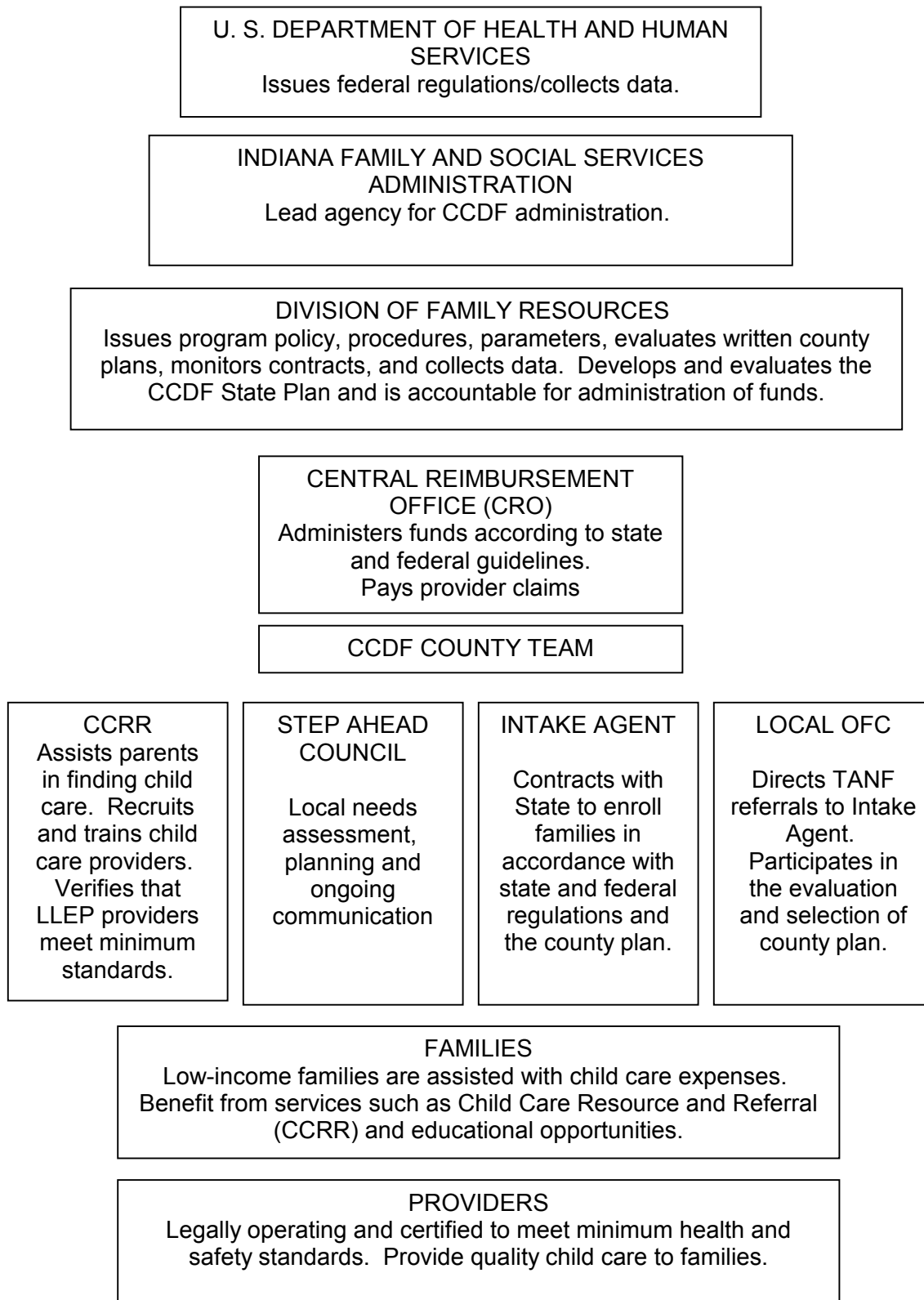
## **PLANNING PROCESS**

Coordination must be demonstrated at the local level before a county may receive CCDF funding. Local coordination may include the Local Office of Family Resources (DFR), child care providers, public schools, Head Start, Early Head Start, Healthy Families, other early intervention programs for infants and toddlers, county health departments, WIC programs, maternal and child health programs, and mental health centers. To ensure coordination and communication, there is to be a separate Memorandum of Understanding (MOU) between the Intake Agent and each of the following groups:

1. The Step Ahead Council, which describes the ongoing local assessment of needs, planning and ongoing communication.
2. The Local DFR, which describes the ongoing communication procedures, referral procedures for Temporary Assistance to Needy Families (TANF) eligible clients or TANF clients transitioning from public assistance and other locally identified roles; and
3. The CCRR, which describes the referral procedures to: families seeking providers, providers seeking consumer and educational materials and opportunities, and providers seeking minimum standard certification.
4. There may be a need for additional MOU's between the Intake Agent and other service providers. These MOU's are to be updated annually. The original MOU should be kept locally with a copy sent to the county Educare consultant at the BCD.

The state contracts the administration of CCDF eligibility to a local Intake Agent. Selection of the Intake Agent encompasses a public RFF process, as well as a recommendation from the local DFR. The selected Intake Agency is supported through Web-Based Eligibility Software that operates according to CCDF policy and procedure.

## CCDF CHILD CARE SYSTEM



# Intake Component

## PURPOSE AND OUTCOMES

CCDF direct service dollars are to provide financial assistance to eligible TANF and low-income families in need of child care. Parents can choose from available licensed or legally license-exempt child care. Types of care might include: center-based care, school-age care, in-home care, relative care, and sectarian child care. All child care providers must meet applicable state and local requirements including minimum health and safety standards.

## RESTRICTION OF FUNDS

**CCDF Direct Service Funds** cannot be used for:

1. The non-federal share (match) for other Federal grant programs;
2. The purchase or improvement of land, or for the purchase, construction, or permanent improvement of any building or facility;
3. Grants or contracts reimbursement for any sectarian purpose or activity, including sectarian worship or instruction;
4. Supplementing program support; and
5. Supplementing quality initiatives.
6. *Tuition*. Funds may not be expended for students enrolled in grades one through twelve for:
  - a) Any service provided to such students during the regular school day;
  - b) Any service for which such students receive academic credit toward graduation; or
  - c) Any instructional services that supplant or duplicate the academic program of any public or private school.

## CCDF PRIORITIES

These families must be enrolled in the CCDF Program, if funds are available:

1. Families that are on TANF and participating in the IMPACT Program, including those with a zero grant. These families must meet income guidelines as noted in the Financial Need section. These families must be actively participating in an approved work activity. The parent is required to provide a referral form from their IMPACT worker.

**If funds are not available for a TANF IMPACT Family, the Intake Agent must terminate a non-TANF IMPACT family (this could include a TANF only family) in order to accommodate the TANF IMPACT family.** Non-TANF IMPACT families will be removed in the following order:

1. Families at the highest level of poverty, as established by the state.
2. Families who have been on the CCDF program for the longest amount of time.
3. Families at the highest gross income level as calculated for CCDF eligibility.

### **Example:**

If a new TANF IMPACT family applies and meets eligibility requirements, the Intake Agent must determine if any non-TANF IMPACT families (this includes TANF only families) are currently receiving CCDF in that county. If so, then the Intake Agent should determine what non-TANF IMPACT family is at the highest level of poverty and terminate that family. If more than one non-TANF IMPACT family is at the same level of poverty, then the non-TANF IMPACT family who has been on the program the longest must be sent a ten-day notice and removed from the program. If more than one non-TANF IMPACT family has been on the program for the same amount of time, then the non TANF IMPACT family who has the highest gross income level (in dollars) will need to be removed. The families that are removed should be placed on the wait list in order of state priority (see below).

The Intake Agent shall not remove a currently enrolled TANF IMPACT family in order to enroll a new TANF IMPACT family. However, this policy could result in the removal of a TANF only family. Further, **more than one family may need to be removed depending upon the fiscal impact of the new TANF IMPACT family.**

If no funds are available to enroll a new TANF IMPACT family/child and no non-TANF IMPACT families are enrolled, the new TANF IMPACT referral must be entered into the waiting list.

The AIS system will automatically calculate the above for the Intake agent. They system will terminate these families and notify the Intake agent what families have been removed. The Intake agent is responsible for notifying these families and providers of the termination.

**If funds are available, the following families may be enrolled in the CCDF Program, according to the following order:**

1. Families receiving TANF, but who are not enrolled in an IMPACT approved activity (TANF only families).
2. Families with children who receive or need to receive child protective services (CPS) as verified by the

Local OFC can be eligible for CCDF child care services provided the CPS caseworker indicates the family needs child care out of the child's home. The service and financial need requirements are waived for children who have been referred by their caseworker as needing out of home care, as part of the CPS case plan. A child who has been placed into another home is not eligible for this exception. This is for children who have not been removed from their own home but need outside care as identified by the caseworker.

3. Children with Special Needs, who meet income and service eligibility guidelines
4. Families that are transitioning off of the TANF Program. The parent must submit a referral form from their TANF worker.
5. Families with the lowest income who are not receiving TANF or transitioning off TANF, but who are at risk of becoming dependent on such assistance.

### **Priority Business rules**

**Business rule 1.1.8** - The following is the priority category for immediate award of eligibility, **if funds are available: (funds may become available by removing a non TANF IMPACT family)**

1. TANF-IMPACT

The following do not receive immediate award of eligibility **if funds are not available**, but do receive priority, as escrowed funds become available in this order:

1. TANF
2. Child Protective Services (CPS)
3. Special Needs
4. Date

**Business rule 1.1.9** – Siblings of a priority child (special needs and CPS) do not receive priority status. Example: A family has multiple children that need childcare assistance. However, only one child requires special needs care. The policy states that a child with special needs is a priority. All of the other siblings do not receive priority and escrow availability does not impact this decision.

**Business rule 1.1.10** – Siblings of a TANF priority child will all be considered a priority. Example: A family that has a TANF child and another child not on TANF, both children receive the TANF priority in regard to the waiting list.

## COMMUNICATION BETWEEN INTAKE AGENTS AND LOCAL DFR OFFICES

Communication between local Intake Agents and Local DFR offices is an essential, ongoing process that must occur to assure that TANF families receive child care in order to achieve independence from public assistance. **Local DFR offices are to send a written child care referral (faxes are acceptable) for TANF priority families to the local Intake Agent for each family that is receiving TANF/IMPACT.**

**TANF Referrals are good for two weeks.**

**Business rule 1.3.4(28)** – The Intake Agent **may not select a subsidy begin date** more than two weeks prior to the date of application.

**Only those families with an adult in the TANF assistance group are to be referred.**

Directors of the Local Office of Family Resources must assure that all TANF eligible families with a documented need for child care, are referred to local Intake Agents via the TANF child care written referral process. It is the responsibility of the Local OFC Director to estimate the TANF referrals per month in order to aid CCDF projections. These projections should be sent to the local CCDF Intake Office on a monthly basis.

In order to facilitate the referral process, **the local DFR Family Case Coordinator should forward the CCDF referral to the Intake Agent within three calendar days of the appointment with the DFR.** The client may bring the referral to the appointment with the Intake Agent, however, if the client delays the CCDF application process, service or payment can be delayed. With TANF clients, the income eligibility determination that the Local DFR worker has completed may be accepted as the income determination for the CCDF service. **The RID number must be included with the referral.** TANF families must be actively participating in their self-sufficiency plan in order to receive CCDF services. Should an individual be sanctioned and removed from the assistance group, the family shall be terminated from the CCDF program, after consultation with the DFR Family Case Coordinator. A new referral from the DFR Family Case Coordinator and a new 805 application will be required to allow the family back on the CCDF program.

**It is expected that the Local DFR and the Local Intake Agent will maintain a reciprocal relationship and share information about any changes in a client's situation that would affect eligibility for services.**

## CONFIDENTIALITY OF RECORDS

It is permissible to exchange client (family) information between the Intake Agent and the Local DFR if allowed by law, and vice versa, when necessary to the administration of the program. Other parties requesting client (family) information must have the written permission of the client or must obtain a court order.

## ELIGIBILITY GUIDELINES

All families must meet the service need, financial need, residency, age requirements and choose a qualified provider to access CCDF.

### SERVICE NEED

- Employment; or
- A certified or accredited training or educational program, including high school adult basic education, or GED. These activities must take place outside of the home; or
- TANF IMPACT approved activity; or
- Job search activity

(For more detailed description, see “Determining Service Need of the Family”)

### FINANCIAL NEED

Effective 10/1/02, the family (see definitions) must have gross monthly family income that does not exceed 127% of the Federal Poverty Level to be enrolled in the program.

(For more detailed description, see “Determining Financial Need of the Family”)

### RESIDENCY

The eligible child(ren) must be a citizen(s) of the U. S. or a qualified (legal) alien and currently reside in Indiana. Only the citizenship and immigration status of the child, who is the primary beneficiary of the child care benefit, is relevant for eligibility purposes. The applicant must apply for CCDF in his/her county of residence. This can include a person who is temporarily residing in a domestic or homeless shelter in Indiana.

### AGE REQUIREMENTS

Children must be under the age of 13. Children ages 13 through 18 whom meet the definition of a child with special needs (see definitions) or are under court supervision are considered eligible.

**Business rule 1.3.4(14)** – If the child’s age is between 13 and 18 inclusive, they must be special needs, CPS or court ordered to be eligible for care.

### QUALIFIED PROVIDER

- Operating according to state law; and
- Age 18 or older, and
- Have met all applicable Minimum Standards; and
- Enrolled with CRO.

**Business rule 1.3.5** – A family can only select a provider that has met minimum standards (for more specific information about minimum standards, please see the section later in this manual devoted to minimum standards)



**Business rule 1.3.6** – The Intake Agent may not enter new providers into the Intake software. BCD will control provider choices entered into the Intake Software.

## **SIX MONTH ELIGIBILITY RE-DETERMINATION**

The Intake Agent must conduct an eligibility re-determination with each family (both TANF and Non-TANF) **at least every six months**. This requires the completion of a new Application, Form 805, as well as re-verifying and documenting the family's eligibility. A Parent Statement Form must be signed with each re-determination. A re-determination may be completed 30 days before the subsidy end date, but never after. **It is the responsibility of the Intake agent to notify the parent of the impending recertification 30 days prior to the subsidy end date. This notification will also serve as ten-day notice should the family be found as ineligible on the date of their recertification appointment. If a family is found to be no longer CCDF eligible at the time of their recertification appointment, the ten-day notice period will NOT be extended past the subsidy end date.**

If a change in the family's circumstances is anticipated, such as the end of a school term or change in incapacity status, the Intake Agent should schedule a re-determination to coincide with the change and reflect the family's status

If a change in the family's circumstances is reported after an application has been approved, but before 30 days prior to the subsidy end date, **the Intake Agent must perform an update to ensure continued eligibility.**

**Note: Intake Agents should include a question about a family's TANF status as part of any update or recertification appointment.**

*ADDITIONAL ELIGIBILITY CRITERIA, WHEN APPLICABLE, ARE AS FOLLOWS:*

## **CHILD PROTECTIVE SERVICES**

Families with children who receive or need to receive child protective services as verified by the Local OFC can be eligible for CCDF child care services provided the CPS caseworker indicates the family needs child care out of the child's home. The service and financial need requirements are waived for children who have been referred by their CPS caseworker as needing out of home care as part of the CPS case plan. A child who has been placed into another home is not eligible for this exception. This is for children who have not been removed from their own home but need outside care as identified by the caseworker.

## **CHILDREN WITH SPECIAL NEEDS**

### **Required Documentation**

Documentation of a child with special needs must be made by **evidence of enrollment in one or more of the following programs or services:**

- Children with Special Health Care Services;
- First Steps Early Intervention System;
- Public School Special Education;
- Supplemental Security Income (SSI); or
- Head Start (those professionally diagnosed children with disabilities).

With parental consent, a copy of the program enrollment forms may be obtained and used as

documentation of special needs. Benefit letters, enrollment numbers, or program cards can also be used as documentation of enrollment.

If documentation/verification of enrollment in at least one of the above-indicated programs **cannot** be obtained, the child **will not** be considered as a child with special needs until the documentation/verification can be provided. Providers and/or parents **cannot** self-declare that a child has special needs.

If a parent indicates that a child is not enrolled in any of these five programs and has not been evaluated, and the provider believes the child may have a special need, the provider may refer the parent to the appropriate agencies listed above and encourage the parent to have the child evaluated.

### **Determining Increased Costs**

Not all child care programs may need an increased reimbursement rate to meet the child care costs of a child with special needs. Many children with special needs can be included with no additional cost to the provider.

In order to calculate the actual child care costs for a child with special needs, *the provider is to document and maintain accounting records that reflect **only legitimate costs directly related to child care services**, per individual child, which do not include services that are associated with the child's individual disability which are funded by other sources, or are the elected choice of the parent. **Only those child care costs not associated with the Americans With Disabilities Act (ADA) accommodation may be integrated into the cost structure.***

Once a child is verified as having special needs and the provider has documented that additional child care related expenses are necessary to provide child care to the child, the CRO may reimburse up to, but **not exceeding 10% over/above the market rate** in accordance with the child's age category/care setting.

**Business rule 1.3.4(16)** – If the child has documented special needs, the provider's rate can exceed the market rate by 10%.

The Intake Agent is to keep the child's eligibility for the special needs rate and the provider's documentation on file. Justification for the increased rate and the child's eligibility for the increased rate must also be maintained on site in the child's file for audit review. The increased reimbursement rate for children with special needs must be reviewed at each six-month re-determination

Routine claim procedures are to be followed. Reimbursement will be made only for approved child care services provided by an eligible provider for as long as funds are available and the child remains eligible.

### **FOSTER FAMILIES**

The foster parent (see definitions) must be working or in an education or training program. If the foster parent is only applying for child care for the foster child and not for another dependent, then the income, including the foster child per diem, is not counted and the child care assistance group consists only of the eligible child(ren). Therefore, the foster child is considered a "family of one" (see page 7 for definition of family). **Documentation is required that this is a foster care situation by copying the foster parent's Foster Family Home License (State Form 45562) and Medical Authorization (State Form 3319).**

**Business rule 1.3.4(15)** – If the child needing child care is a foster child, the foster family income does not apply. However, the foster parent(s) does need to demonstrate service need. The foster child is considered a family of one. One 805 is to be created for each foster child, unless all of the foster children are related.

## INCAPACITATED PARENTS AND MEDICAL CONDITION

These situations are to be determined on a case-by-case basis and reviewed at least every six months or based on the length of the incapacity as stated on the doctor's statement, whichever comes first. This could include post surgery conditions, pregnancy, post childbirth conditions, accident related conditions and mental health related conditions.

In a two parent household, CCDF child care services may be provided to allow the second parent to continue employment, training or education activities, if the incapacitated parent is **unable** to care for the child(ren) and has a valid doctor's statement documenting this.

In a two parent household CCDF child care services **can be continued** when one parent has a medical condition which prevents the parent from participating in their employment, training, or education due to a temporary medical condition, (see definitions) and the other parent is incapacitated, if the incapacitated parent is unable to care for the child(ren) and has a valid and current doctor's statement. A doctor's statement that the parent is unable to participate in their service need or care for the child is required. A statement is also required indicating the parent has been assured of returning to their employment, training, or education.

In single parent households, CCDF child care services **can be continued** when the parent has a medical condition which prevents the parent from working due to a temporary medical condition, (see definitions).

A doctor's statement must be provided indicating the parent is unable to work and unable to care for the child(ren). A statement from the employer must also be provided indicating the parent has been assured of returning to their job.

## MINOR PARENTS

Minor parents must be in a training/education program and/or employed. The Minor parent is the applicant for the child care services and the minor parent and his/her children are considered a separate family. Minor parent means a parent under age 18.

## PARENTS CALLED TO ACTIVE DUTY IN THE MILITARY

This situation would apply to **parents with children enrolled with the CCDF program** that are called up for military duty. The children **may remain** on the program using the service need of the person(s) that has physical custody and the financial need of the parent in the military. A copy of the military orders should be kept in the case file. If the children are placed in a two-parent household, both of the persons with physical custody of the children must have a service need.

## DETERMINING SERVICE NEED OF THE FAMILY

Service Need eligibility is determined on an individual basis. A Service Need is established when each parent (see definitions) living in the home with a child under the age of 13 (or through age 18 in cases of

special circumstances), can demonstrate the need for child care by proving participation in one or more of the following:

- Employment  
***Business rule 1.3.4 (1)*** – If a family indicates their service need as employed or employed and in training/education, their wages should be greater than \$0. However, situations like sick leave, etc. can account for \$0. It can also be \$0 if the service need is a new job.  
  
***Business rule 1.3.4(4)***- If a family indicates they have started a new job (i.e. “other” service need), the re-determination date in the Intake software will default to 180 calendar days. However, the family will be required to return to the Intake Office within 45 calendar days with proof of income
- A certified or accredited training or education program, including high school, adult basic education, or GED. These activities must take place outside of the home.
- Job search activity - Only a TANF-IMPACT or TANF family can choose Job Search as their service need upon initial application. **A non-TANF applicant is not eligible for CCDF upon initial application under the Job Search category**
- TANF IMPACT approved activity.

## VERIFICATION OF INFORMATION

The Intake Agent must verify the identity of all family members included in the family size. Further, the family must be able to verify a service need. All documentation which verifies the above should be copied and maintained in the family file at the Intake Agency.

### 1. Verification of Identity and Age of Child(ren)

Accepted Proof of Parental Identity

#### *Preferred*

- Picture ID (i.e. driver’s license, valid State ID card, passport, or Military ID) for all adults in family (see definition of family).

#### *Optional*

- Social Security cards
- Birth certificate

Accepted Proof of Identity and birth date of Children in Family

- Birth certificate for all children in home, regardless of need for child care  
(Note: Social security cards may be accepted as proof of identity but cannot be required according to federal regulations, school records or medical immunization records may also be used if a birth certificate is not available)

### 2. Verification of Service and Financial Need for all individuals in the assistance group living in the home

- Statement from employer (must be on company letterhead and/or provide the employer EIN; be signed

by employer; and should include hours worked, amount of gross pay and date pay received) and/or;

- Official school schedule, should indicate the school name, time period that it covers and/or;
- Pay stubs showing hours worked and all earned gross income received in 30 days or four weeks (see Types of Income Section) prior to date of application and/or;
- Check stubs, award letter or documentation of receipt of all unearned income (e.g. TANF, SSI, etc) for the previous 30 days, if applicable

Participation in employment, training, or educational programs must be documented in the client's case record. The amount of child care authorized **must** directly correspond with the documented service need.

The amount of child care authorized for an employed/in-training/TANF-IMPACT parent is to be based on the DFR referral form. If the parent's schedule varies greatly, the Intake Agent may need to estimate the number of hours per month and average these hours across four weeks.

### 3. Verification of Residency

Verification of residency may include:

- Current rent receipt with address on it or statement from landlord; or
- Current utility bill; or
- Lease; or
- Current mail received at address, or
- INS green card

## EDUCATION AND TRAINING ACTIVITIES

Child care subsidies may be paid for children when their parents are participating in education and training activities. These activities must take place outside of the home.

Examples of education and training activities may include, but are not limited to:

- Job Readiness,
- Community Work Experience (CWEP),
- Post-Secondary Education,
- Vocational and Educational Training and Academic Training.
- Adult Basic Education (ABE),
- English as a Second Language (ESL), and
- General Education Degree (GED).

**Child care subsidies for Non-TANF households are allowable for Post-Secondary education, not to exceed one four-year undergraduate degree.** TANF households are limited to vocational educational training, not to exceed 12 months from the start date of the training as an IMPACT approved activity. The vocational educational training must have a clear and probable relationship to job attainment upon completion of the training. **In accordance with regulations for TANF, if a TANF household chooses to attend an undergraduate degree program or training that cannot be approved by IMPACT - they must apply for CCDF child care in the same manner as any other Non-TANF household.** Intake

Agents must work with the Local OFC Director to determine the extent of service needed.

Documentation of training/education programs may include registration forms, a letter on the training/education program letterhead from the instructor or caseworker, and class schedule, also on letterhead. A class schedule will help the Intake Agent determine how much time will be needed to attend class, study, and commute.

Distance learning, which could include correspondence and internet learning are not valid service needs.

## **JOB SEARCH ACTIVITIES**

Activities that are considered Job Search are the same, regardless of whether the individual is on TANF, on TANF-IMPACT or Non-TANF. However, the length of time for which child care subsidies are allowable for job search will vary depending on the individual's status. For a TANF-IMPACT client, the Family Case Coordinator (FCC) or Public Assistance Caseworker (PAC) will determine the length of time. For a Non-TANF client, a maximum of 30 cumulative days in a six-month period is allowed.

Job search may consist of job search workshops, job clubs, face-to-face contacts with potential employers to attempt to complete job applications, attending job interviews, and following-up on job applications. Job search may also include registering for work at employment agencies and such activities as completing pre-employment physicals, job testing, or completing pre-employment paperwork.

For TANF clients, the FCC or Senior Public Assistance Caseworker (SPAC) has documentation they are in job search. For Non-TANF clients, the parent must provide documentation or proof that they are actively seeking employment.

The following time periods for which CCDF funds may subsidize child care for Job Search are:

1. **For Non-TANF individuals** - up to 30 cumulative days in a six-month period. **A non-TANF applicant is not eligible for CCDF upon initial application under the Job Search category.** However, if an active, non-TANF family loses their job during their identified subsidy period, they may update their situation and be allowed their 30 cumulative days of job search activity if the parent indicates that they will be searching for employment in a six month period.
2. **For TANF-IMPACT/TANF individuals** - as long as an activity remains an approved activity as reported by the Family Case Coordinator (FCC) and/or the Senior Public Assistance Caseworker (SPAC) for TANF/IMPACT individuals.

The child care enrollment agreement requires the parent to notify the Intake Agent of changes in employment status. When an Intake Agent is notified a parent is unemployed or is facing unemployment, the parent is to be asked what the new service need will be. If the parent indicates that they will be job searching the parent should be informed child care could be authorized for Job Search activities up to the stated time periods above.

Child care during job search should be based on the actual need for service. This may be requested on an irregular basis by the parent. The provider also is to be notified of time limits and documentation procedures.

## DETERMINING FINANCIAL NEED OF THE FAMILY

Financial need exists when an Intake Agent verifies that the client's gross monthly family income is at or below 127% of the federal poverty level. All new families, including TANF referrals, entering the CCDF system after October 1, 2002 must have a gross monthly family income at or below 127% of poverty.

**Business rule 1.1.0** – Family pre-qualification is determined by poverty level. If family income exceeds 127% of the federal poverty level, then the family does not qualify. The poverty level will be determined based upon family gross income and family size. **This pre-qualification information** can be obtained through a **verbal application process**.

The Intake Agent is to apply the following definition of family to determine the family situation in order to verify family income.

**FAMILY:** The family is defined as one or more adults and children related by blood or law, or other person standing in loco parentis, residing in the same household. Where adults other than spouses reside together, each is considered a separate family. Wards of the Local Office of Family Resources are the legal responsibility of the Local Office of Family Resources and not the family with which the child has been placed. However, with the appropriate documentation, the foster parent should be considered the CCDF applicant for that child.

## TYPES OF INCOME

The following are to be taken into account as sources of **gross countable income** in determining financial eligibility for the family. *All of the following should be counted from the 30 days preceding the application date.* (Note: An Applicant should not be penalized should the previous 30 day period include an extra pay date. For example, if the applicant is paid weekly, and the previous 30 days included five paychecks, instead of the normal four paychecks, only the four most recent paychecks should be counted in calculating gross income. If pay is received bi-weekly or semi-monthly use the most recent two paychecks).

Only those individual's income that are defined in the definition of family should be counted. Earned income (i.e. employment) of a child under the age of 18 is not counted. However, if a child under the age of 18 lives in the home and receives SSI or TANF, that is considered unearned income and is counted.

- **Child Support**

Money paid on a regular basis by an absent parent for the benefit of his/her child, which includes direct payments and payments via the Clerk of the Circuit Courts and/or the Department of Child Services, Child Support Bureau. If a non-recurring lump sum child support payment is received outside of the regular payment schedule, please refer to next section.

- **Maintenance**

Allowance paid to one spouse by the other for support pending or after separation or divorce.

- **Pensions and Annuities**

Includes pensions or retirement benefits paid to a retired person or his/her survivors by a former

employer or by a union. Either directly or through an insurance company.

- **SSI**

Cash assistance from Supplemental Security Income.

- **Social Security and Railroad Retirement**

Includes Social Security and Railroad Retirement pensions and survivor's benefits as well as permanent disability Insurance payments made by the Social Security Administration or the U.S. Government, prior to deductions for medical insurance.

- **TANF**

Cash assistance from Temporary Assistance to Needy Families.

- **Unemployment Compensation**

Compensation received from government unemployment insurance agencies or private companies during the period of unemployment.

- **Veteran's Benefits**

Moneys paid by the Veterans Administration to disabled members of the armed forces or to survivor of deceased veterans. If problems occur in verification of these benefits the agency may call 1-800-827-1000 to obtain information on VA benefits.

- **Wages or Salary**

The total amount of gross earnings received for work performed as an employee before deductions are made. Includes, but not limited to wages, salaries, armed forces pay, commissions, tips, piece rate payments, and bonuses. (Note: There is an exception for TANF families. The most recent gross earnings projection from the Local DFR caseworker is to be used).

- **Workers Compensation**

Compensation received periodically from public or private insurance companies for injuries incurred at work. The cost of this insurance must have been paid by the employer and not the employ.

- **Work Study**

Work-study grants are not considered income and should not be counted in calculating monthly gross income.

- **New Wages or Salary**

If the parent is employed, but has yet to receive a paycheck, the situation is to be handled by verifying all gross income received 30 days prior to the date of application or the change.

In addition, the parent must provide, at the interview, or reported change, a signed statement from the



new employer (on company letterhead including phone number) to verify the number of hours that service is needed, and return in 45 days with verification of 30 days of income. See note under **Wages or Salary** above.

## OTHER TYPES OF INCOME AND HOW TO CALCULATE

- **Non Recurring lump sum**

Use the gross amount received in the 30 days prior to the date of application. Includes any amount above \$5,000 received through life insurance, Social Security, inheritances, lawsuit settlements, etc. Also includes any amount over \$1,200 received from gambling/lottery winnings. **Exception, a child support payment made outside of the regular schedule** is to be annualized, regardless of the amount.

**Calculate:** This lump sum is to be annualized by dividing the total amount of the lump sum by 12 and apply as unearned income for the next 12 months.

For instance, if a parent receives a lump sum payment of \$6,000, you would divide it by 12 and add \$500 per month to the monthly gross income of the family. In this instance, the \$500 would be in addition to any other income that is received on a monthly basis.

- **Self Employment/non farm**

The gross receipts minus expenses from a business, professional enterprise, or partnership.

**Calculate:** Income is calculated by taking the gross receipts minus expenses. Gross receipts include the value of all goods sold and services rendered. Expenses include the cost of goods purchased; rent and utilities for the business property, depreciation, wages and salaries paid, interest on loans, and business taxes. Any income or expense considered as such by the Internal Revenue Services (IRS) is considered the same for CCDF purposes (use IRS Tax Schedule C). The previous year's tax return may be used and averaged over the number of months of employment.

- **Self Employment from farming**

The gross receipts minus operating expenses from the operation of a farm by a person's own account, as an owner, renter, or sharecropper.

**Calculate:** Income received from farm self-employment is to be calculated by taking the gross receipts minus operating expenses. Gross receipts include the value of all products sold, money received from the rental of farm equipment to others and incidental receipts from the sale of wood, sand, gravel and similar items. Operating expenses include the cost of feed, fertilizer, seed and other farm supplies, wages paid to farm hands, loans, farm building repairs, farm taxes (not state or federal income taxes) and similar expenses. Any income or expenses considered as such by the Internal Revenue Service (IRS) is considered the same for CCDF purposes (use IRS Tax Schedule F). The previous year's tax return may be used and averaged over the number of months of employment.

## CLIENT APPLICATION PROCESS

## **INITIAL CONTACT WITH THE APPLICANT**

Information about the family must be obtained before an applicant may be approved for the CCDF program. The Intake Agent may be able to quickly pre-qualify a family based on information given to determine the poverty level of the family. At that time, the Intake Software will notify the Intake Agent if funds may be available for a new CCDF application.

**Business rule 1.1.0** – Family pre-qualification is determined by poverty level. If the poverty level exceeds 127%, then the family does not qualify. The poverty level will be determined based upon family gross income and family size. This information can be obtained through a verbal application process.

**Business rule 1.1.3** – If a family does not qualify based on this initial contact, the Intake Agent will notify the family at that time. Should the family request it, the Intake Agent must put the denial in writing.

Should a family be determined as preliminarily eligible for the CCDF program, an appointment must be scheduled within five business days to begin the Application process.

**Business rule 1.1.7** – The five-day dead line can be extended one time up to a maximum of five additional business days. This gives the family a total of ten business days from the initial contact to have an interview conducted.

**Business rule 1.6.1.1** – A family should be removed from the database if an interview is not conducted within five business days from the initial contact, or if the five-day deadline is not extended as noted above.

## **APPLICANT INTERVIEW – COMPLETING THE 805 APPLICATION**

During the interview with the applicant, the Intake Agent will enter relevant information into the Intake Software system. The Intake Agent may or may not be able to complete the 805 Application at the time of the interview. It may be necessary to complete a partial 805 Application for various reasons including that the applicant may not have chosen a child care provider at the time of the interview.

If the eligibility cannot be determined at the time of the interview, give the client a written notice to return the necessary verifications within ten calendar days. If the documentation/verification is received within the ten days, the effective date of the application will be the Sunday prior to the date of application. If the documentation/verifications are not received within the ten-day period, the client is to be given written notice that the application is being denied. The notice should include an explanation as to why the denial is taking place.

**Note: The Intake Agent must print the 805 Application and have the parent sign it. If the parent/provider completes a manual 805 Application, it should be attached to the computer generated 805 Applications and placed in the family file.**

### **Partial 805 Business Rules**

A partial 805 is an 805 Application that is incomplete, but does have certain applicant and family data

entered (see Intake Software manual Chapter 2 for more detailed information).

**Business rule 1.1.1** – Partial information will be collected, creating an 805 Partial. The information collected will be the 13 minimum data elements as noted in the applicant information and family data software fields. (See Intake Software Manual Chapter 2 for more detailed information).

**Business rule 1.3.2 -**

- a. If a partial 805 exists with escrowed funds allocation, the application will be indicated as inactive after ten business days of the creation of the partial 805.
- b. No escrowed funds will be associated with a waiting list application. The waiting list application will remain in the waiting list indefinitely until escrowed funds become available or the Intake Agent removes them from the list.
- c. An 805 Application will not be considered complete and a voucher will not be generated until the Intake Agent indicates in the software (i.e. by clicking the “signed by parent” and “signed by provider” boxes) that they have received all provider information and all required signatures have been obtained. **At no time should a voucher be printed without having the appropriate provider information and signature.**

**Business rule 1.6.1.2** A family may be removed from the database if the 805 Application Page 3 form is not returned with the parent and provider signature within ten days of its creation.

***805 Application Business Rules***

The following rules will be enforced during the entry of an 805 Application into the Intake Software system:

**Business rule 1.3.4 (1)** – If a family indicates their service need as employed or employed and in training/education, their wages should be greater than \$0. However, situations like sick leave, etc. can account for \$0. It can also be \$0 if the service need is a new job.

**Business rule 1.3.4(2)** – Co-pay and poverty level will be calculated by the system based on the fee schedule. Multiple fee schedules with various effective dates will be supported. The Intake software will divide the co-pay in half for children needing care for less than four hours per day.

**Business rule 1.3.4(3)** – If a new, non-TANF family indicates they are currently searching for employment (job search), the re-determination date will remain at 180 calendar days. However, the family will be required to return to the Intake Office within 30 calendar days.

**Business rule 1.3.4(4)**- If a family indicates they have started a new job; the re-determination date will remain at 180 calendar days. However, the family will be required to return to the Intake Office within 45 calendar days with proof of income.

**Business rule 1.3.4(5)** – The Intake Agent must choose a subsidy end date, which is the same as **or** prior to the re-determination date. The redetermination date may not change and will always be six months from the subsidy begin date.

**Business rule 1.3.4(6)** – The origin date must be less than or equal to the date of application. The origin date is defined as the date the family filled out an 805 for the first time. The user may not specify the origin date. The software automatically determines this date.

**Business rule 1.3.4(7) –**

- a. The Intake Agent must select one race status.
- b. Hispanic is considered an ethnic category. A race must also be selected in these cases.
- c. The Intake Agent must select at least one race, but may select more than one race.

**Business rule 1.3.4(9) –** For In-Home Care (also referred to as Nanny Care), the minimum number of children is three, unless there is a special needs child with documentation and waiver.

**Business rule 1.3.4(10) –** In-home (Nanny) care will be paid out at a rate consistent with minimum wage. The Intake agent should calculate the total to be paid out to the provider by multiplying number of hours of care needed by the current minimum wage. This figure should then be divided by the number of children and then entered as the charge per week per child in the Intake Software.

**Business rule 1.3.4(11) –** If the provider is an LLEP, then the Intake software will not allow more than five children in an inclusive 24-hour period to be assigned to the LLEP provider.

**Business rule 1.3.4(12) –** The Intake software will enforce capacity for all provider types.

**Business rule 1.3.4(13) –** The Intake software will support multiple shift arrangements in **licensed homes**, which allow children to be assigned to shifts designated as 6am – 6pm (**shift 1**) and/or 6pm to 6am (**shift 2**). A child who needs care that overlaps these shifts (e.g. 3pm to 11pm), must be assigned to **both** shifts.

**Business rule 1.3.4(14) –** If the child's age is between 13 and 18 inclusive, they must be special needs, CPS or court ordered to be eligible for care.

**Business rule 1.3.4(15) –** If the child needing child care is a foster child, the foster family income does not apply. However, the foster parent(s) does need to demonstrate service need. The foster child is considered a family of one. One 805 is to be created for each foster child, unless all of the foster children are related.

**Business rule 1.3.4(16) –** If the child has documented special needs, the provider's rate can exceed the market rate by 10%.

**Business rule 1.3.4(18) –** Families with poverty levels exceeding 127% are not eligible for CCDF.

**Business rule 1.3.4(19) –** If the child has siblings under the age of 18 exclusive, the earned income from that child is not counted unless the income is reported as SSI or TANF.

**Business rule 1.3.4(20) –** A non-TANF family cannot receive services for education towards more than 1 undergraduate degree or more than two Associates degrees. Families pursuing a post-graduate degree do not meet the service need criteria.

**Business rules 1.3.4(21) –** Market rates are based on the county of the family's residence.

**Business rule 1.3.4(22) –** Out of state providers will be treated as minimum standard LLEP's when determining market rates.

**Business rule 1.3.4(24)** – The Intake software system will **not** automatically terminate a family for more than three provider changes. This decision is at the discretion of the Intake Agent and/or Educare Consultant

**Business rule 1.3.4(25)** – All required forms must be completed and signed within ten days of the initial application. The Intake software will not allow the Intake Agent to create a voucher until both parent and provider signatures are obtained.

**Business rule 1.3.4(26a)** – Service need of 25 or more hours per week is defined as full time for children not in school. All other service need less than 25 hours is considered part time.

**Business rule 1.3.4 (26b)** - Service need of 15 or more hours per week is defined as full time for children enrolled in school.

**Business rule 1.3.4(26c)** - The Intake software system will not allow a weekly rate to be selected for care of a non-school age child who needs care less than 25 hours per week.

**Business rule 1.3.4(26d)** - The Intake software system will not allow a weekly rate to be selected for a school age child who needs care less than 15 hours per week.

**Business rule 1.3.4(26e)** – Should a provider claim less than 25 hours of care for a child that is authorized in a voucher for full time care, AND no personal day or holiday is used, that claim period would be reimbursed at 50% of the weekly rate.

**Business rules 1.3.4(27)** – The market rate is determined by county, age and type of care.

**Business rule 1.3.4(28)** – The Intake Agent **may not select a subsidy begin date** more than two weeks prior to the date of application.

**Business rule 1.3.4(29)** – The Intake Agent **may not select a voucher begin date** more than two weeks prior to an appointment with the family to make a provider change.

**Business rule 1.3.4(30)** If a child needs care for less than four hours per day, then the hourly rate must be chosen by the Intake Agent. The software will cut the co-pay in half in these instances.

**Business rule 1.3.5** – A family can only select a provider that has met minimum standards.

**Business rule 1.3.6** – The Intake Agent may not enter new providers into the Intake software. BCD, in conjunction with State Licensing and Local CCRR's will control provider choices entered into the Intake Software.

**Business rule 1.3.8** – The online version of the 805 will have two additional columns to account for the TANF-IMPACT and TANF transition.

**Business rule 1.3.9** – The Intake Agent must print the 805 application and have the parent sign it. The Intake Agent must keep this document in the family file.

## **CREATING AND PRINTING THE CCDF VOUCHER**

**Once all required documentation and signatures have been obtained, the Intake Agent must print a CCDF Voucher.** The Intake Agent should review the voucher with the parent and instruct the parent to give the original voucher to the provider for signature. The Intake Agent should keep a copy in the family file for their own records.

**Business rule 1.5** – A voucher may be produced when the 805 Application has been completed and signed by the family and by the provider. The voucher will include:

- a. Total hours per week
- b. Total days per week
- c. Total co-pay – printed on the voucher for the child with the greatest need. Any sibling vouchers that are created will have no values in the co-pay field.
- d. Total dollar amount
- e. Subsidy begin date
- f. Subsidy end date
- g. Re-determination date

**A new voucher must be created if a family wants to select a different provider** than the provider originally chosen. The family must initiate this request with the Intake Agent. The Intake Agent must enter this new information into the Intake Software and obtain required provider and family signatures before the new voucher can be created.

**Business rule 1.3.4(29)** – The Intake Agent may **not select a voucher begin date** more than two weeks prior to an appointment with the family to make a provider change.

### **ENTERING AND MAINTAINING THE WAITING LIST**

Families should be put on the waiting list if the Intake Software indicates that escrow funds are not available in the county in which the family resides. Please refer to the Intake Software manual for a description of this procedure.

**Business rule 1.1.2** – A family will be placed on the waiting list if funds are not available for new enrollments. If escrowed funds are available, the escrowed funds will be assigned to the partial 805. Hold allocation will be based on market rate for infant care in a licensed center for the family's county of residence. If no escrowed funds are available, the partial 805 remains on the waiting list until escrowed funds become available. When the funds become available, the Intake Agent may contact the family and set up an appointment with the family.

**Business rule 1.2.1** – View current children on the wait list. The system will group non-priority children within the same family, however, each entry will be processed on a child-by-child basis, not by family. This means that some children from the same family may receive care while other children in the same family may not.

**Business rule 1.2.2** – The Intake system will support the ability for Intake Agents to add families to the wait list.

**Business rule 1.2.3** – The Intake system will support the ability for intake agents to purge and remove families from the waiting list.

**Business rule 1.2.5** – The waiting list will be prioritized as follows:

- a. TANF IMPACT (lowest poverty level first, then shortest stay on CCDF)
- b. TANF (lowest poverty level first, then shortest stay on CCDF)
- c. CPS
- d. Special Needs
- e. TANF Transition
- f. Date – If a family has multiple children where one or more is special needs, the family will be “broken up” on the list.

**Business rule 1.2.6** – If escrowed funds exist to support fewer children than requested by the family, the system would allow Intake Agents to place as many children within the family as escrowed funds will allow. When more escrowed funds become available, the family will receive priority to the escrowed funds.

**Business rule 1.2.7** – Only one Intake Agent per county will be supported initially. An Intake Agency may have more than one site. Intake Agents will see the waiting list that encompasses the entire county, not just for that site.

**Business rule 1.2.8** – No time limits will be enforced as to how long a family can stay on the waiting list. The system will support the ability for an Intake Agent to purge their waiting list every six months.

## DENIAL OF APPLICATION, TERMINATION OF SERVICES

### DENIAL OF APPLICATION

A family **is to be denied** services in writing for any of the following reasons:

- Family income above 127% of poverty;
- Co-pay exceeds weekly charge;
- child (the primary beneficiary of the service) is not a U.S. citizen, qualified alien and/or resident of the county or state;
- failure to complete CCDF enrollment paperwork within ten calendar days from date of application;
- deliberate misrepresentation of information on the application;
- no longer has a service need that meets CCDF eligibility criteria;
- no CCDF funds available in the county;
- conviction of illegal receipt of government funds;
- CCDF fraud conviction; and/or
- failure to repay overpayment agreement

The reason for denial must be determined by the tenth calendar day of application completion and **must be communicated to the family in writing**.

### TERMINATION OF SERVICES

The family or child (if applicable) **may be terminated** from service for any of the following reasons:

- Failure to pay family co-payment; or

- more than three changes of caregiver in 12 month period;

**Business rule 1.3.4(24)** – The Intake software system will **not** automatically terminate a family for more than three provider changes. This decision is at the discretion of the Intake Agent and/or Educare Consultant

The family or child (if applicable) **will be terminated** from service for one of the following reasons:

- CCDF fraud conviction;
- deliberate failure to report income/job, work, education, provider, TANF status/family change;
- expiration of period of subsidy eligibility;
- failure to fully reimburse in-home child care provider;
- failure to complete required CCDF enrollment paperwork;
- not employed or no longer in training/in education/in TANF IMPACT approved activity;
- welfare fraud conviction;
- child turns 13 (or 19 if special "circumstances");
- the child (the primary beneficiary of the service) is not a U. S. citizen, qualified alien, and/or resident of the county and/or state;
- failure to repay overpayment schedule;
- co-pay exceeds weekly charge;
- 60 days of claim inactivity on a voucher;

**Business rule 1.6.2** – The Intake Agent will routinely run an inquiry to indicate those families with no claim activity in 60 days or more. The Intake Agent will send a ten-day termination letter to families identified on this report.

If services are terminated to a client after the application has been signed, the family must receive at least ten-calendar days written notice. The child's provider must also be notified in writing by the Intake Agent at least ten days prior to the effective date of the action.

Services provided during this ten-day period are considered allowable child care costs for reimbursement under the CCDF child care program. Refer to six-month Eligibility Redetermination section for notice required for recerts.

**If a family appeals this action, child care will not be reimbursed after the ten-day termination period. However, if a finding is held in the family's favor, all child care during the appeals process will be paid retroactively at the rate that was determined prior to termination.**

## **PARENT APPEAL PROCEDURE**

When any Adverse Action is taken, such as denial, termination or increased co-pay, there is a three-step appeal process.



- Step 1 – Within **ten calendar days** of receipt of Adverse Action letter, the parent must send written request for appeal to the local Intake Agent Supervisor.

The Intake Agent has **five calendar days** to review the request and respond in writing. This response must provide information on the next step in the appeal process. The Intake Agent will document research to support any decision made. The documentation shall be placed into the parent file.

- Step 2 – If the parent is not satisfied with the decision of the Intake Agent Supervisor, the parent must send written request for appeal to the Deputy Director of the Bureau of Child Development within **15 calendar days** of receipt of the denial letter from the Intake Agent Supervisor.

Deputy Director of the Bureau of Child Development  
Attn: CCDF Appeals  
402 W. Washington Street, W-386 MS02  
Indianapolis, Indiana 46204-2739

The Deputy Director has **15 calendar days** to review the request and respond in writing. This response must provide information on the next step in the appeal process.

- Step 3 – If the parent is not satisfied with the decision of the Deputy Director, they have **15 calendar days** from receipt of letter from the Deputy Director to submit a **final written** request for appeal to the:

Director of the Division of Family and Children  
Attn: CCDF Appeals  
402 W. Washington Street, W-3386 MS02  
Indianapolis, Indiana 46204-2739

The Division Director of DFC has **15 calendar** days to review the decision of the Deputy Director of the Bureau of Child Development and respond in writing.

- The decision of the Director of the Division of Family Resources is final.
- **All** requests for appeals and responses **must be in writing**
- If a parent misses the timeline, the right to appeal is forfeited. All appeals sent by parents will be counted as sent on the date as postmarked. All dates on responses by the state will be counted as sent on the date of postmark.

## COUNTY CHILD CARE MARKET RATES

Although child care reimbursement is based on the individual provider's charge for service, there are established maximum reimbursement rates. These maximum rates are determined by a local market rate survey of Indiana licensed child care providers. **A provider may not charge more for service to a CCDF child than they charge for similar services to other children.**

The survey results are compiled for each county through the oversight of the DFR. Maximum county rates are established for full time weekly, daily, and hourly charges for center care, as well as, for child care homes. Separate market rates are established for licensed, accredited, and legally exempt child care providers. The market rate table also reflects the above rates for each age category. The rates established are the maximum reimbursed for subsidized child care programs administered through the Division of

### Family Resources.

The established market rates are automatically entered into your Intake software. Should the Intake Agent discover any market rate errors in the software, the Educare consultant should be contacted immediately.

The local market rate survey is updated at least every two years. Final versions of the market rate are mailed to Intake Agents with instructions and the date of implementation. If the provider reimbursement will be adversely affected, the voucher agent must give a ten-calendar day written notice prior to any changes taking effect.

When the amount a provider charged is less than the market rate, the actual charge is the maximum child care reimbursement that will be made under this program. When the amount charged by the provider is greater than the market rate, the child's parent or caretaker must assume responsibility for any additional costs of care, or the provider must be willing to accept a lower rate of reimbursement.

Although many child care providers charge on a weekly basis, there are also providers who charge daily and/or hourly rates for the services they provide. The amount of child care subsidy allowed for care in this situation is determined based upon the actual rate established by the child care provider for all children in the care setting whose needs are similar to those of the child for whom the subsidy is requested. However, **in no case will the total daily or hourly subsidy reimbursed for care be greater than the full time weekly market rate. Under no circumstances can the provider's actual charge be paid if it exceeds the market rate except in documented cases of special needs. Further, the hourly rate of reimbursement should never exceed the daily rate.**

**Business rule 1.3.3(a)** – The Intake software will verify that hourly rates entered by the Intake Agent do not exceed the established daily market rates or weekly market rates.

**Business rule 1.3.3(b)** – The Intake software will verify that daily rates entered by the Intake Agent do not exceed the established daily and weekly market rates.

**Business rule 1.3.3(c)** - The Intake software will verify that weekly rates entered by the Intake Agent do not exceed established weekly market rates.

**Business rule 1.3.3(d)** - If child care services need for a non-school age child is equal to or greater than 25, then only the weekly rate will be used.

**Business rule 1.3.4(26a)** – Service need of 25 or more hours per week is defined as full time for children not in school. All other service need less than 25 hours is considered part time.

**Business rule 1.3.4 (26b)** - Service need of 15 or more hours per week is defined as full time for children enrolled in school.

**Business rule 1.3.4(26c)** - The Intake software system will not allow a weekly rate to be selected for care of a non-school age child who needs care less than 25 hours per week.

**Business rule 1.3.4(26d)** - The Intake software system will not allow a weekly rate to be selected for a school age child who needs care less than 15 hours per week.

**Business rule 1.3.4(26e)** – Should a provider claim less than 25 hours of care for a child that is **authorized in a voucher for full time care, AND no personal day or holiday is used**, that claim period

would be reimbursed at 50% of the weekly rate.

**Business rule 1.3.4(27)** The market rate is determined by county, age and type of care.

**Business rule 1.3.4(30)** - If a child needs care for less than four hours per day, then the hourly rate must be chosen by the Intake Agent. The software will cut the co-pay in half in these instances.

## SLIDING FEE SCHEDULE

Payment for subsidized child care is based on the Division of Family Resources' "Child Care Income Eligibility Determination and Sliding Fee Schedule" form. Families with gross monthly income above 100% of poverty are required to pay a co-payment. Families at 100% of poverty or below will have a zero co-payment. The fee schedule illustrates the fee for one unit of care defined as four hours or more per day. For those children in attendance less than four hours per day, only half the fee should be charged. The weekly co-payment is determined at the time of the interview and is not based on actual attendance. When families have multiple children, the co-payment is based on the child requiring the most care.

**Business rule 1.3.4(2)** – Co-pay and poverty level will be calculated by the system based on the fee schedule. Multiple fee schedules with various effective dates will be supported. The Intake software will divide the co-pay in half for those children in attendance less than four hours per day.

**Business rule 1.3.4(30)** If a child needs care for less than four hours per day, then the hourly rate must be chosen by the Intake Agent. The software will cut the co-pay in half in these instances.

Only one fee is charged per day per family regardless of the number of children in the family receiving care. In cases where the family had more than one provider of child care, the fee should be collected for the child receiving the most care per week.

The family pays the fee to the provider directly. **The family is responsible for the co-pay amount determined at eligibility determination, regardless of future attendance.** The provider is responsible for collecting the fee from the parent. Failure to pay family fees may result in termination of the child(ren) from the program.

## INCREASED FEES

If co-payment is increased to a client according to the Sliding Fee Schedule after the application has been signed, the family must receive at least ten-calendar days written notice. The child's provider must also be notified in writing by the Intake Agent.

If a provider increases their rates, the change may only take place at the time of CCDF family recertification.

## ELIGIBLE FAMILIES WHO LIVE IN ONE COUNTY AND SELECT CHILD CARE IN ANOTHER COUNTY

Parents are to apply for CCDF in their county of residence. The rate of reimbursement is based on local

market rates for the county where the parent resides.

**Business rule 1.3.4(21)** – Market rates are based on the county of the family’s residence.

**Business rule 1.3.4(22)** – Out-of-state providers will be treated as minimum standard LLEP’s when determining market rates.

Parents are required to report changes in residency within ten days. If a family moves to another county, the Intake Agent is to terminate the case, giving ten day notice, and provide the family information on where to apply in the new county of residence.

## CHANGES IN FAMILY CIRCUMSTANCES

1. The family must report changes to the Intake Agent within ten calendar days of when the change occurred. The change must be verified by the Intake Agent.
2. The OFC is to communicate changes in activities and employment after the initial TANF referral, breaks in participation and changes in TANF eligibility (assistance group closures or loss of TANF eligibility) to the Intake Agent. Further, the Intake Agent should make a question about change in TANF status part of routine communication with CCDF families.
3. The Intake Agent is to report significant changes in the TANF family’s circumstances to the Local OFC.
4. If a family's circumstances are uncertain (e.g., a school term or job is due to end or a change in income is anticipated), the verification process must be completed at the end of the time period when a full month’s earnings would have been received. Periodic verification is to continue during the six month time period as long as uncertain circumstances exist. If a household has zero income or no visible means of support, an interview and recalculation should be conducted every 30 days until the questionable circumstances are resolved.
5. Each Intake Agent is to establish a system to ensure that redeterminations and known changes are completed when required (i.e., case flags, tickler files) and that changes in circumstances are documented in the family's file.
6. If a family changes their provider more than three times in a 12-month period, they will require a review by Educare to approve any more provider changes. A year will begin with the origin date, which is reset after 90 days of inactivity (termination date or last claim recorded) resulting in a new 805 Application.

**Business rule 1.3.4(24)** – The Intake software system will **not** automatically terminate a family for more than three provider changes. This decision is at the discretion of the Intake Agent and/or Educare Consultant.

## Provider Component

### TYPES OF PROVIDERS

Child care reimbursement is only authorized to certified and enrolled providers. Certified is defined as child care that meets minimum standards **and** is either regulated by the state (licensed child care center, licensed family child care home, or a registered day care ministry) or provided legally by license-exempt providers.

### **LICENSED PROVIDERS**

The following are the three categories of licensed child care:

1. Licensed child care centers (IC 12-7-2-28.4) – a non-residential building where at least one child receives child care from a provider:
  - a. while unattended by a parent, legal guardian, or custodian
  - b. for regular compensation
  - c. for more than four hours but less than 24 hours in each of ten consecutive days per year excluding intervening Saturday, Sunday, and holidays.

The term includes a non-residential building where child care is provided to one child if the provider has applied for a license under IC 12-17.2-4-et seq. and meets the requirement of IC 12-17.2-4.

2. Class I Child Care Homes - a child care home that serves any combination of full-time and part-time children, not to exceed at any one time 12 children plus three children during the school year only who are enrolled in at least grade one. The addition of three school age children may not occur during a break in the school year that exceeds four weeks. (470 IAC 3-11 and 470 IAC 3-1.2 as well as the requirements of IC12-17-2-33.7.)
3. Class II Child Care Homes - a child care home that serves more than 12 children, but not more than 16 full-time and part-time children at any one time. A licensee who provides Class II child care shall meet all the requirements of 470 IAC 3-1.1 and 470 IAC 3-1.2 as well as the requirements of IC 12-17.2-5-6.5.

### **LEGALLY LICENSE-EXEMPT PROVIDERS**

The following are exempt from licensure per IC 12-17-.2-2-8.

1. A program for children enrolled in grade kindergarten through 12 that is operated by the Department of Education or a public or private school.
2. A program for children who become at least three years of age as of December 1 of a particular school year (as defined in IC 20-10.1-2-1) that is operated by the Department of Education or a public or private school.
3. A nonresidential program for a child that provides child care for less than four hours a day.
4. A recreation program for children that operates for not more than 90 days in a calendar year.
5. A program whose primary purpose is to provide social, recreational, or religious activities for school age children, such as scouting, boys club, girls club, sports, or the arts.
6. A program operated to serve migrant children that:

- a) provides services for children from migrant worker families; and
  - b) is operated during a single period of less than 120 consecutive days during a calendar year.
7. A child care ministry registered under IC 12-17.2-6
8. A child care program operated by a public or private secondary school that:
- a) provides day care on the school premises for children of a student or an employee of the school;
  - b) complies with health, safety, and sanitation standards as determined by the division under IC 12-17.2-2-4 for child care centers or in accordance with a variance or waiver of a rule governing child care centers approved by the division, under IC 12-17.2-2-10; and
  - c) substantially complies with the fire and life safety rules as determined by the state fire marshal under rules adopted by the division under IC 12-17.2-2-4 for child care centers or in accordance with a variance or waiver of a rule governing child care centers approved by the division under IC 12-17.2-2-10.
9. A child care home if the provider:
- a) does not receive regular compensation;
  - b) cares only for children who are related to the provider
  - c) cares for less than six children, not including children for whom the provider is a parent, step-parent, guardian, custodian, or other relative; or
  - d) operates to serve migrant children.

Related for purposes of IC 12-17.2 and IC 12-17.4 means any of the following relationships to an individual who is less than 18 years of age by marriage, blood, or adoption:

- |                     |                 |
|---------------------|-----------------|
| 1. Parent           | 7. Step-brother |
| 2. Grandparent      | 8. Step-sister  |
| 3. Brother          | 9. First cousin |
| 4. Sister           | 10. Uncle       |
| 5. Step-parent      | 11. Aunt        |
| 6. Step-grandparent |                 |

## REGISTERED CHILD CARE MINISTRIES

“Registered child care ministry” is defined as child care provided as an extension of a church or religious ministry that is a religious organization exempt from federal income taxation under Section 501 of the Internal Revenue Code, unlicensed but registered with the Division of Family Resources (DFR) and state fire marshal’s office pursuant to IC 12-3-2-12.7(c). The registered day care ministry must pay a \$50.00 annual fee to the state fire marshal and a \$50.00 annual fee to the DFR. A day care ministry is exempt from registration for any of items 1 through 6 listed in IC 12-17.2-2-8.

**CARE PROVIDED IN A CHILD’S HOME BY A RESIDENT (Relative Care)**

Child care provided by an individual provider who resides in the child’s home is defined as RELATIVE CARE. Reimbursement only may be made in these situations to the child’s grandparents, great-grandparents, aunt, or uncle. The provider must be related by law, blood, or court decree. **Parents, stepparents and legal guardians are not to be reimbursed for the care of their own children.** Siblings are not eligible providers. The reimbursement rate for relative care is the same as the Legally License-Exempt Provider (LLEP) home rate and is reimbursed to the provider.

**CARE PROVIDED IN A CHILD’S HOME BY A NON-RESIDENT (In-Home Care)**

Child care provided by an individual provider who comes into the child’s own home is defined as IN-HOME CARE. This provider may not reside at the child’s address; this individual is a non-resident. Parents, stepparents and legal guardians are not to be reimbursed for the care of their own children.

**IN-HOME CARE is available only for families in which three or more related children require child care. The children all must be members of the same family and related to each other by blood or law.**

**Business rule 1.3.4(9)** – For In-Home Care (also referred to as Nanny Care), the minimum number of children is three, unless there is a special needs child with documentation and waiver.

The reimbursement rate for In-Home care is calculated per family on an hourly rate **consistent with the current federal minimum wage**. This means there is one rate for all siblings. **Reimbursement is limited to no more than 40 hours of care per week (Sunday through Saturday)**. The market rate does not apply in this situation.

**Business rule 1.3.4(10)** – In-home (Nanny) care will be paid out at a rate consistent with minimum wage. The Intake agent should calculate the total to be paid out to the provider by multiplying number of hours of care needed by the current minimum wage. This figure should then be divided by the number of children and then entered as the charge per week per child in the Intake Software.

For instance, if the minimum wage is \$5/hour and four children need 40 hours of care:

$$\frac{\$5.00 \times 40\text{hours}}{4 \text{ children}} = \$50 \text{ per week/child}$$

Reimbursements for In-Home care must be made to the parent and not the provider of care who is classified by the Internal Revenue Service (IRS) as a domestic service worker. Two party checks to both parent and provider will not be given.

In this type of care situation, the parent is considered the employer of the provider. Reimbursement is to be made to the parent upon receipt of the child(ren)’s attendance verification. The parent is responsible for reimbursement to the provider and any applicable IRS tax withholding and reporting requirements. Failure of the parent to pay the provider may result in termination of the family from the program. Reimbursements to parents for in-home care reimbursement are considered as public assistance and not as income; therefore, the Internal Revenue Service Form 1099 is not to be issued to the parent or to the provider. **The parent must submit a W9 form and indicate that this is a W9 for a “child care benefit – no 1099 is to be issued.”** Parents must submit claims according to the claims schedule.

## PROVIDER REGULATIONS

### MINIMUM STANDARDS FOR ALL PROVIDERS ACCEPTING CCDF FUNDS

Effective July 1, 2002, the General Assembly passed legislation that requires all child care providers to comply with certain health and safety standards prior to their participation in the Child Care and Development Fund Voucher Program. Child care providers must demonstrate compliance with the health and safety standards through written documentation as well as a home/facility inspection.

The verifying agencies are as follows:

- Licensed child care providers: state licensing consultant
- Registered child care ministries: child care health consultant
- Legally license exempt child care providers: local child care resource and referral

These health and safety standards include:

- The provider, or individual over age 18 who resides with the provider, or anyone employed at the facility shall provide evidence that they are free from communicable Tuberculosis.
- The provider must have written plans for notifying parents of their illness or serious injury.
- The provider must post an evacuation /emergency plan in case of fire or inclement weather.
- The provider must be annually certified in infant and child CPR and First Aid.
- The provider must conduct and document a monthly fire drill.
- The provider, or individual over age 18 (or under 18 and previously waived to Adult Court) who resides with the provider, or anyone employed at the facility must provide a criminal history check which documents that the individual has not been convicted of a felony and/or a misdemeanor related to the health or safety of a child and/or a misdemeanor for operating a child care center or home without a license.
- The provider, or individual over age 18 who resides with the provider, or anyone employed at the facility shall provide evidence that they have not been named as the alleged perpetrator under Indiana Code 31-33-17-6(7).
- The provider, or individual over age 18 who resides with the provider, or anyone employed at the facility must submit to drug testing which verifies that there is not a presence of an illegal controlled substance.
- The provider must maintain and annually update documentation of age appropriate immunizations for each child who is cared for in the facility.
- The facility must have a working telephone. Cellular phones are not acceptable. An analogue phone will be required in order for the electronic CRO to process provider payments.
- The facility must have running water.
- The facility must have working, appropriately located smoke detectors and fire extinguishers.
- The facility must have two exits, other than windows, located on different sides of the facility that are not blocked and do not require passage through a garage or storage area where hazardous materials are stored and may be operated from the inside without the use of a key or any special knowledge.
- The provider must offer a safe environment by ensuring that firearms and ammunition, poisons, chemicals, bleach and cleaning supplies, and all medications are inaccessible to children.

**Business rule 1.3.5** – A family can only select a provider that has met minimum standards.



Once a child care provider has complied with all required health and safety standards, they must agree to maintain compliance. A child care provider's failure to maintain compliance may result in termination from the Child Care and Development Fund program. Intake agents will be notified of a child care provider's failure to comply with minimum standards by fax. It is imperative Intake agents take action on notification of denial/revocation timely to ensure that parents/guardians receive adequate notice regarding the status of their current child care provider.

## NON-COMPLIANCE WITH MINIMUM STANDARDS

Following are the procedures for removing children from providers for failure to comply or maintain compliance with minimum standards. Parent/guardian notification must include written correspondence using the form letter provided. A child care provider **will not** be paid during an appeal. If a parent/guardian wishes to leave their child(ren) in the care of the ineligible provider, their CCDF voucher will be terminated and future eligibility is subject to availability of funds.

Step 1: A recommendation for denial or revocation has been approved by the Division of Family Resources.

Step 2: The Division of Family Resources sends a "Notice of Order" letter to the child care provider.

Step 3: A copy of the Notice of Order is faxed to the Intake agent requiring **immediate action**.

Step 4: The Intake agent must determine if the provider has active vouchers.

Note: Intake agents should first try "View Provider". If the child care provider's name does not display, generate a Closed Provider with Recipients Report.

Step 5: When all active vouchers have been identified, the Intake agent shall use the form letter (see appendix) provided to notify parents/guardians that their child care provider is no longer eligible to participate in the CCDF program. **Parents/guardians must be notified within three calendar days of fax notification.** A copy of the written parent/guardian notification shall be maintained in the parent file.

Note: Parent/guardian notification in this circumstance **will** exceed ten days.

Step 6: A courtesy copy of the parent/guardian notification letter shall be sent to the child care provider.

Step 7: Payments shall not be made to the child care provider beyond the effective date of the order as stated in the child care provider's "Notice of Order".

NOTE: Intake agents must complete a provider change in the intake software moving the children to "Pending Provider" effective the Sunday following the effective date of the order. This must be completed within three calendar days of faxed notification.

Step 8: If a parent/guardian selects an eligible child care provider prior to the effective date of the order, a provider change shall be completed.

If a parent/guardian has not selected an eligible child care provider prior to the effective date of the order, the voucher shall be terminated.

NOTE: Parent/guardian's questions regarding a child care provider's ineligibility should be referred to the provider. (Some denials/revocations may be based upon confidential information.)

## **RESCINDING MINIMUM STANDARDS REVOCATION ORDERS**

As the Bureau of Child Development begins to issue minimum standards denial/revocations in the form of a Notice of Order, it may become necessary to rescind an order if the provider can now demonstrate compliance with minimum standards. If a provider contacts the Intake Agent office to notify that they are now in compliance with minimum standards, please refer the provider to the Child Care Resource and Referral in the county of their residence. The CCRR will be able to assist the provider in documenting their compliance and make a recommendation to the Bureau to rescind the Notice of Order. Licensed or registered providers should be referred to the BCD Licensing or Ministry Section for assistance.

When a Notice of Order has been rescinded, the Intake Agent will receive a faxed copy of the provider's notification letter. This notification may be prior to the effective date of the Notice of Order, therefore, there is no interruption in the provider's eligibility. However, the notification may occur after the effective date of the order. In this case, there will be a period of time when the provider is not eligible for child care reimbursement through the CCDF fund.

## **PROVIDER ENROLLMENT PROCESS**

Providers are required to be certified and enrolled with the State to receive CCDF funding. Enrollment is intended to ensure basic protections for children.

To be an enrolled provider with the voucher system, a provider must:

- be at least 18 years of age;
- be legally operating under Indiana's child care regulations including having met Minimum Standards;
- have completed a registration process; and
- be enrolled with the CRO

A parent will not be able to select a provider who does not meet the above. Providers who have not met the above criteria will not be entered into the state database of eligible providers and, thereby, will not be part of the Intake software. **Child Care Providers for the purpose of receiving CCDF are not considered employees of an Intake Agent, the Central Reimbursement Office, or the State of Indiana.**

**An eligible child's sibling living in the child's household is not eligible to be the child's provider and cannot be reimbursed for child care provided. Parents, stepparents, and legal guardians of the eligible child are also not eligible to be reimbursed as providers of child care for their own children.**

The provider is responsible for filling out all necessary paperwork and submitting to the Claims Processing entity. Further, the provider must sign the voucher and submit to the Claims processing center before any payment can be made.

## **PROVIDER LIMITS ON NUMBER OF CHILDREN ENROLLED IN SUBSIDY**

Only **legal** child care can be reimbursed with CCDF funding. The following limitations apply:

1. Legally License-Exempt Homes

The number of children enrolled in voucher subsidy can be no more than five children in LLEP homes.

**Business rule 1.3.4(11)** – If the provider is an LLEP, then the Intake software will not allow more than five children in an inclusive 24-hour period to be assigned to the LLEP provider.

2. Licensed Class I Child Care Homes

Legal care in a Class I home allows 12 full-time children and three part-time (school-age) children (only during the school year) at any one time.

3. Licensed Class II Child Care Homes

Legal care in a Class II home allows 16 children at any one time.

A Licensed Home provider may decide to offer child care services during several shifts of a 24-hour day. **However, effective February 1, 2003, CCDF children are to be assigned, according to their service needs, to one of two 12-hour shifts (6pm to 6am or 6am to 6pm). The provider may not enroll more than their licensed capacity during either 12-hour shift.** A child who needs care that would overlap during these shifts shall be assigned to **both** shifts (e.g. a child who needs child care from 3pm to 11pm should be assigned to both shifts as his attendance would increase the capacity of the provider during both shifts).

A provider serving children during the night must assure that the children are supervised at all times.

**Business rule 1.3.4(12)** – The Intake software will enforce capacity for all provider types.

**Business rule 1.3.4(13)** – The Intake software will support multiple shift arrangements in **licensed homes**, which allow children to be assigned to shifts designated as 6am – 6pm (**shift 1**) and/or 6pm to 6am (**shift 2**). A child who needs care that overlaps these shifts (e.g. 3pm to 11pm), must be assigned to **both** shifts

## ADVERSE PROVIDER ACTIONS - OTHER THAN MINIMUM STANDARDS

In certain situations where there are immediate concerns for the protection of children or the integrity of a provider, the Division of Family Resources may take adverse action against a provider that affects their ability to participate in the CCDF program.

**A provider may be suspended by the Division of Family Resources from the CCDF program under the following circumstances:**

- the death of a child while in the provider's care;
- a pending abuse/neglect charge against the provider, an existing employee of the provider, or a member of the provider's household, indicating behavior harmful to children;
- a substantiated health or safety hazard;
- threatening behavior;

- providing false information on any forms connected with the CCDF program;
- being under investigation for fraud; and/or
- illegally operating a home or facility.

In the above circumstances, the suspension can be effective immediately upon notice to the provider. The Intake agent will be notified to immediately contact CCDF parents to select a new provider. Payment will not be made during the period of suspension. The provider will remain suspended pending the outcome of an investigation.

**A provider will be terminated by the Division of Family Resources from the CCDF program under the following circumstances:**

- failure to comply with minimum standards (see Non Compliance with Minimum Standards)

Termination of the provider can be effective immediately upon notice and will be permanent in the following four circumstances:

- a conviction of abuse/neglect against the provider, an existing employee of the provider, or a member of the provider's household (in the case of home-based care) indicating behavior harmful to children;
- substantiated fraud in the receipt of any type of government funds;
- proven forgery of signatures on any forms; and/or
- loss of licensure or registration when such is required by Indiana law, including but not limited to, situations where revocation action is due to substantiated abuse or neglect.

Payment will cease upon termination of the provider. The Intake agent will be notified to immediately contact CCDF parents to select a new provider. Parents shall be referred to the local CCRR agency if they need assistance in selecting a new provider.

### **PROVIDER APPEAL OF ADVERSE ACTION - OTHER THAN MINIMUM STANDARDS**

In situations where the Division of Family Resources takes adverse action (other than Minimum Standards) against a provider that affects their ability to participate in the CCDF program, there is a two-step appeal process.

- Step 1 - Within **15 calendar days** of receipt of termination notice, the provider must send a written request for appeal to the:

Deputy Director of the Bureau of Child Development  
Attn: CCDF Appeals  
402 W. Washington Street, W-386 MS02  
Indianapolis, Indiana 46204-2739

The Deputy Director has **15 calendar days** to review the request and respond.

- Step 2 - If the provider is not satisfied with the decision of the Deputy Director, the have **15 calendar days** to submit a **final written** request for appeal to the:

Director of the Division of Family and Children

Attn: CCDF Appeals  
402 W. Washington Street, W-386 MS02  
Indianapolis, Indiana 46204-2739

The Director has **15 calendar days** to review the decision of the Deputy Director of the Bureau of Child Development and respond in writing.

The decision of the Director of the Division of Family Resources is **final**.

If a provider misses the timeline, the right to appeal is forfeited. All appeals sent by providers will be counted as sent on the date as postmarked. All dates on responses by the state will be counted as sent on the date as postmarked.

Provider payments will not be made during the appeals process. However, if a decision is found in favor of the provider, any CCDF enrollments will be paid. A provider may not enroll any new CCDF children during the appeal process.

## **PROVIDER PAYMENT GUIDELINES**

### **Provider claims**

**CCDF providers must use state authorized, paper claims until such time an electronic CRO is put into place.** These claims packets may be obtained at the local Intake Agent office or by calling the Claims Help Desk. The claims packets will include:

- An initial claim form and claim schedule with instructions;
- A CCDF Childcare Statement of Services Provided form **to keep as backup documentation.**
- A W-9 (if applicable); and
- A claim discrepancy form

Providers must submit claims according to the claim schedule. The claim form must show an accurate representation of the number of hours each child attended care.

**60-Day Late Claims** - Providers should not accumulate claims. If a claim is received 60 days past the last day of the period claimed, the late claim must include a letter stating why the claim is late. The claims department will forward this letter and supporting documentation to the BCD for a three-signature process. The late claim must be approved by the Educare Consultant, the BCD Contract Manager and the BCD Deputy Director.

Reimbursements to parents for **in-home care** are considered as public assistance and not as income; therefore, the Internal Revenue Service Form 1099 is **not to be issued** to the parent or to the provider. **However, the parent must submit a W9 form** and indicate that this is a W9 for a “child care benefit – no 1099 is to be issued.”

### **Providers with Multiple Sites**

Providers are to care for a child at the site to which the child was assigned by the Intake Agent. Providers with multiple sites must fill out separate claim forms for each site and ensure that the **children attend and are claimed at the site to which they are assigned.**

## ATTENDANCE

### Full Time Care

#### *Non school-age children*

Full time care is defined as 25 hours or more per week, for **non school-age children**. When the child care provider charges a flat weekly rate, the child must attend a minimum of 25 hours per week, Sunday through Saturday, to qualify for the flat rate. For children enrolled on a daily or hourly basis, reimbursement can be made only for the time a child is in attendance. *Reimbursement for care can never exceed the full time weekly market rate.*

**Business rule 1.3.4(26a)** – Service need of 25 or more hours per week is defined as full time for children not in school. All other service needs less than 25 hours is considered part time.

**Business rule 1.3.4(26c)** - The Intake software system will not allow a weekly rate to be selected for care of a non-school age child who needs care less than 25 hours per week.

**Business rule 1.3.4(26e)** – Should a provider claim less than 25 hours of care for a child that is authorized in a voucher for full time care, AND no personal day or holiday is used, that claim period would be reimbursed at 50% of the weekly rate.

#### *Full Day Kindergarten*

Children who attend **all day public school kindergarten are considered full time, school age children for market rate purposes**. The same rules for school age children apply in these cases.

#### *School-age children*

Full time care for **school-age children** is defined as 15 hours or more per week, Sunday through Saturday, during the school year when school is in session. When a school-age provider charges a flat weekly rate, the full weekly rate can be paid for the school-age child who is in attendance at least 15 hours per week, Sunday through Saturday, during the school year when school is in session. During the summer when school is not in session, and for care provided when a parent works non-traditional hours any time during the calendar year, full time care for school-age children is defined as 25 hours or more per week. For children enrolled on a daily or hourly basis, reimbursement is to be made only for the time a child is in attendance. *Reimbursement for care can never exceed the full-time weekly market rate.*

**Business rule 1.3.4 (26b)** - Service need of 15 or more hours per week is defined as full time for children enrolled in school.

**Business rule 1.3.4(26d)** - The Intake software system will not allow a weekly rate to be selected for a school age child who needs care less than 15 hours per week.

### Personal Days

When enrolled **full-time**, each family is allowed **20 personal days per child during their enrollment year** for which reimbursement can be made if a child is absent. The personal days can be used at the parent's discretion.

Parents have the option of choosing when they want to use their 20 personal days for each child. Once the 20 days is exhausted (for each child), the parent is responsible to pay for any days that the child does not attend. Personal days may not be used to provide two-week notice. Any requirements for notice are between the parent and the provider.

NOTE: For children with special health situations (e.g., prolonged illness or an injury) the treating physician is to document the child's needs for treatment and/or recuperation. This prescribed time may result in absences in excess of 20 days. The service provider and parent must work closely on the length of the absence. They are not bound by the 20 personal day limit when the physician documents the need.

### **Holidays**

Reimbursement also may be made to all providers for up to six days per calendar year, per child, for children enrolled full-time, when the center or home is closed due to a holiday. This provision applies only if the center or home has a written policy to charge all consumers for days they are closed due to a holiday. The provider chooses the six holidays for which they want to be reimbursed. **The written policy is to be filed as a part of provider enrollment.**

### **Other Costs**

Registration costs, mandatory fees and other optional child care expenses, such as art and gymnastics programs or transportation costs, **cannot be paid** through the child care subsidy program.

Provider charges that exceed the local market rate are the responsibility of the parent.

### **Court Orders for Child Support**

The CRO must comply with any court order for the withholding of funds from a child care provider for child support back payments. The court order may specify directions regarding the necessary action. There are legal liabilities under IC 31-16-15 for non-compliance with these orders. Any questions concerning income-withholding orders can be answered by calling the Child Support Hot Line at 1-800-292-0403.

## **FRAUD/RECOVERY AND COLLECTION COMPONENT**

### **CCDF Fraud Policy/Procedure**

**Purpose:** In order to ensure that CCDF dollars are used to their full potential, the Bureau of Child Development has developed a CCDF Fraud Policy and Procedures to follow.

**Definition:** Fraud is defined as any intentional false reporting of facts or information. Fraud, may or may not include overpayment of funds. **Unintentional errors are not considered fraud, and may be corrected at the local level.**

**Intake Agent Role:** The Intake Agent is expected to report any suspicion of fraudulent activity in the CCDF Program. These instances could include, but are not limited to parent/applicant fraud; provider fraud; and local grantee fraud.

Should an Intake Agent fail to report any fraudulent activity that could be determined within the normal scope of intake duties, the Intake Agent could be held accountable for any overpayments. Further, it could be considered a failure to perform contract obligations.

**Reporting Procedure:** Should an Intake Agent discover any type of possible CCDF fraud, the Intake Agent must:

1. Report the CCDF fraud suspicion, and any supporting facts and documentation, to the CCDF Fraud Coordinator.(see Appendix for Fraud Referral Form). The CCDF Fraud Coordinator will forward all information to the Bureau of Investigations (B of I) as well as coordinate with the B of I to determine a plan of investigation/action, which may include assigning the case back to the Intake Agent for resolution.
2. Cooperate with FSSA personnel in ongoing investigation of the alleged fraud.

**Once reported, the Bureau of Investigations will:**

1. Assign a case/tracking number and log case into computer system;
2. Forward a bi-weekly summary report of the ongoing cases status and any investigation findings and/or recommendations to the CCDF Program Manager, who will distribute to the Deputy Director of the Bureau of Child Development.
3. The Deputy Director will review findings and recommendations and determine any follow up measures.

**Fraud repayment policy of funds less than \$1,000**

The Bureau of Investigations may report finding that less than \$1,000 of funds was overpaid. The B of I will either refer to seek repayment back to the county level, or refer to the County Prosecutor for legal action. In most cases, the case will be referred for repayment resolution at the county Intake level.

**Fraud Repayment Procedures (less than \$1,000)**

1. The Bureau of Investigations will forward a copy of their findings to the CCDF Fraud Coordinator.
2. The local Intake Agent will be notified of the findings by the CCDF Fraud Coordinator. The Intake Agent will develop a repayment agreement with the party who has received an overpayment of funds. The party will sign a repayment agreement.
3. The Intake Agent will forward the original repayment agreement to FSSA Financial Management.
4. The Intake Agent will also forward a copy of the repayment agreement to the CCDF Fraud Coordinator. The CCDF Fraud Coordinator will document the resolution
5. Funds, which are repaid as part of the repayment agreement, should be sent directly to FSSA Financial



Management. The repayment will be deposited into the Indiana CCDF account.

**Fraud repayment of more than \$1,000**

The Bureau of Investigations may report that more than \$1,000 was overpaid. The Bureau of Investigations may recommend criminal prosecution, in addition to collection of the overpayment in these instances.

**Fraud Repayment Procedures (more than \$1,000)**

1. The Bureau of Investigations will forward a copy of their findings and recommendations to the CCDF Program Manager who will forward to the BCD Deputy Director.
2. The Deputy Director will determine any future action needed which may include, but is not limited to a repayment agreement.

**TECHNICAL COMPONENT**

Intake Agents will be entering family information into web-based software. Information will be stored in a

central server located in Indianapolis, IN. As with any web-based program, certain security and technical requirements are necessary.

### **SOFTWARE ACCESS**

The Intake Agent will request access to the Automated Intake System for each staff requiring use of the software. The Intake Agent may request input or read only status of each user. Each user will be assigned a unique user name and password. Staff shall not share their passwords or access to the software.

Should a staff member be terminated or no longer require access to the Automated Intake System, the Intake Agent MUST report this information within three days to the Software Help Desk (BCDRequest@e-tcc.com). Intake Software access of the identified user will be eliminated immediately. Should an Intake Agent fail to report this information, the Intake Agency may be held liable for any CCDF fraudulent activity that may result of this failure to follow this procedure.

User activity can and may be monitored for security purposes.

### **CLIENT SOFTWARE MINIMUM REQUIREMENTS:**

To adequately run the Automated Intake System, the following hardware and peripherals are required:

- Mozilla/4.0 compatible
- Internet Explorer 5.x or higher, Netscape 6.0
- JavaScript support
- Java JRE 1.3.1 plug-in [<http://java.sun.com/j2se/1.3jre/download-windows.html>]
- Adobe Reader 5.0 or higher
- Windows 98 or Higher

#### **Recommended Software:**

- MS Office Software (Word, Excel)  $n$  licenses (where  $n$  = the number of users)
- Anti-Virus software for each computer system and laptop
- E-mail (web-based or client installed (i.e. Outlook express, etc.)

### **CLIENT HARDWARE:**

- Pentium, 600-MHz processor or faster
- 256 MB of RAM
- CD-ROM
- Modem – Digital (DSL/Cable)

#### **Internet**

- Dedicated data line (DSL, Cable, Ethernet 10 Mbps or higher)
- Dial up internet access may be used, but could result in slow connection and production

**NOTE: America on-line Internet connectivity is not supported**

### **PRINTER:**

- Any HP or HP-compatible laser printer

### **DATA ERRORS**

Should an Intake agent make a critical error in data entry which results in incorrect payment or nonpayment to a child care provider, several steps are required. These types of errors also carry a fiscal impact on the county obligations.

The Intake agent **must determine if any payment has already been made**. The Intake agent should verify that the current provider and/or any past provider have not been paid.

This may be completed by clicking on the Provider menu, then selecting *Show recipients*, then selecting *Generate Full Report*.

### **Procedures – No Payments Have Been Made on a Voucher**

If **no payments have been made** on the affected voucher(s):

1. Immediately upon discovery, **The Intake agent must notify the affected provider, in writing, of the agency's error**. The letter must include a statement indicating that payment is not guaranteed to the provider.
2. Immediately upon discovery, the Intake agent must complete the "REQUEST FOR DATA CHANGE – NO PAYMENTS HAVE BEEN MADE" form and submit to the Intake supervisor.
3. The **Intake supervisor** must sign and forward the request to the Educare Consultant. This form may be faxed or sent electronically.
4. The **Educare Consultant** has five days to sign and forward to the CCDF Program Manager. The **CCDF Program Manager and BCD Contract Manager** will confer to determine the financial impact of the request. **Both** signatures must be obtained within five days.

**If the request creates a negative allocation situation**, the CCDF Program Manager will inform the Intake agent and the Intake agent may be instructed to terminate a family from the program in order to accommodate the change.

**If the request would not create a negative allocation situation**, then the request will be forwarded to the BCD Deputy Director for final signature within five days. If signature is obtained, the BCD Request team will make the requested change(s).

1. The Tech Team should then notify Intake and the Educare Consultant of the completion of the task.
2. The Intake agent must print a corrected voucher and submit it to the provider so that they may be paid.
3. Once the provider has reviewed, signed and returned the voucher, the provider should submit a CCDF Discrepancy Form, with accompanying documentation, so that any past rejected payments may be made.

**The provider should not send in a duplicate claim.**

**Procedures – Payment Has Been made on a Voucher**

If a **payment has been made** on the affected voucher(s):

1. **Immediately upon discovery, the Intake agent must notify the provider, in writing, of the intake error.** The letter must include a statement indicating that payment is not guaranteed
2. Immediately upon discovery, the Intake Agent will need to complete the “REQUEST FOR DATA CHANGE – PAYMENT HAS BEEN MADE” form and submit to the Intake supervisor.  
**No changes to data will be made to the period in which the provider has already received some type of payment.**
3. The **Intake supervisor** must sign and forward the request to the Educare Consultant Within five days.
4. The **Educare Consultant** has five days to sign and forward to the CCDF Program Manager. The **CCDF Program Manager and BCD Contract Manager** will confer to determine the financial impact of the request. **Both** signatures must be obtained within five days.

**If the request creates a negative allocation situation**, the CCDF Program Manager will inform the Intake agent and the Intake agent may be instructed to remove another family from the program in order to accommodate the change.

**If the request would not create a negative allocation situation**, then the request will be forwarded to the BCD Deputy Director for final signature. If signature is obtained, the BCD Request team will make the requested change(s).

**If the request is approved, then the Tech Team may change data going forward from the date of last service period paid.**

**To correct the data in the period, during which a provider received incorrect payment, the Intake agent must create a new voucher in the amount and for the time period of the discrepancy.**

1. The Tech Team should then notify Intake and the Educare Consultant of the completion of the task.
2. The Intake agent must print a corrected voucher and submit it to the provider so that they may be paid.
3. Once the provider has reviewed, signed and returned the voucher, the provider should submit a CCDF Discrepancy Form, with accompanying documentation, so that any past rejected payments may be made. **The provider should not send in a duplicate claim.**

## **APPENDIX**

**BUREAU OF CHILD DEVELOPMENT  
CHILD CARE DEVELOPMENT FUND**

**Intake agent request for data change – No payments have been made on voucher**

County: \_\_\_\_\_ Date of Request: \_\_\_\_\_

Intake Agency: \_\_\_\_\_

Case Number: \_\_\_\_\_ Applicant Name: \_\_\_\_\_

Dates of Service Affected: \_\_\_\_\_ Provider Name: \_\_\_\_\_

Date Provider Notified of Intake Error: (please attach copy of the letter sent to the provider):  
\_\_\_\_\_

**NATURE OF CHANGE:** (e.g. Change subsidy begin/end date, create new voucher for previous service period, etc)  
\_\_\_\_\_  
\_\_\_\_\_

**JUSTIFICATION FOR CHANGE:** (please explain how and why the error occurred)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**FINANCIAL IMPACT:** (indicate the additional funds that will need to be obligated (past and future) in your county to correct this error)  
\_\_\_\_\_

\_\_\_\_\_  
INTAKE SUPERVISOR

\_\_\_\_\_  
DATE

\_\_\_\_\_  
EDUCARE CONSULTANT

\_\_\_\_\_  
DATE

\_\_\_\_\_  
CCDF PROGRAM MGR

\_\_\_\_\_  
DATE

\_\_\_\_\_  
BCD CONTRACT MGR

\_\_\_\_\_  
DATE

\_\_\_\_\_  
BCD DEPUTYDIRECTOR

\_\_\_\_\_  
DATE

Cc: CCDF Allocations Manager  
CCDF Claims Management  
BCDRequest

**BUREAU OF CHILD DEVELOPMENT  
CHILD CARE DEVELOPMENT FUND**

**Intake agent request for data change – payments have been made on voucher**

County: \_\_\_\_\_ Date of Request: \_\_\_\_\_

Intake Agency: \_\_\_\_\_

Case Number: \_\_\_\_\_ Applicant Name: \_\_\_\_\_

Dates of Service Affected: \_\_\_\_\_ Provider Name: \_\_\_\_\_

Date Provider Notified of Intake Error: **(please attach copy of the letter sent to the provider):**

\_\_\_\_\_

**NATURE OF CHANGE:** (eg. Change subsidy begin/end date, create new voucher for previous service period, etc)

\_\_\_\_\_  
\_\_\_\_\_

**JUSTIFICATION FOR CHANGE:** (please explain how and why the error occurred):

\_\_\_\_\_  
\_\_\_\_\_

---

**FINANCIAL IMPACT:**

**Future Impact** (amount of funding needed from date of discovery going forward):

\_\_\_\_\_

**Provider Discrepancy** (over/underpayment amount that resulted PRIOR to date of discovery of error):

\_\_\_\_\_

\_\_\_\_\_  
INTAKE SUPERVISOR      DATE

\_\_\_\_\_  
EDUCARE CONSULTANT      DATE

\_\_\_\_\_  
CCDF PROGRAM MGR      DATE

\_\_\_\_\_  
BCD CONTRACT MGR      DATE

\_\_\_\_\_  
BCD DEPUTY DIRECTOR      DATE

Cc: CCDF Allocations Manager  
CCDF Claims Management  
BCDRequest

Date

Name  
Street Address  
City, State Zip

Dear Parent:

Re: Provider's Name  
Provider's Address

You are hereby notified that the Division of Family Resources has denied or revoked your provider's participation in the Child Care Development Fund ("CCDF") Program. Your provider will not be eligible for reimbursement for child care services after *(insert effective date of provider's order)*.

To remain an active participant in the CCDF Program, you must select an eligible provider. If you need assistance locating alternate child care, please contact the Child Care Resource and Referral at *(insert CCRR contact information)*. If a provider change has not been completed by *(insert effective date of provider's order)*, your child care voucher will be terminated.

If you have any questions regarding this matter, please contact *(insert agency contact information)*.

Sincerely,

Name of individual signing letter  
Title

Cc: Provider  
File



*Date*

*Name*  
*Address*  
*City, State*

RE: Notice of Order  
(County Name)

Dear *Provider Name*:

You are hereby notified that the Division of Family and Children is rescinding the Notice of Order issued on \_\_\_(*date of original letter*)\_\_\_. You will be able to resume participation as a child care provider in the Child Care Development Fund ("CCDF") Program on \_\_\_(*enter date of this letter*)\_\_\_.

This decision is based on information provided demonstrating that you are now in compliance with the CCDF provider eligibility standards found in Indiana Code 12-17.2-3.5 et seq. To remain an eligible provider, you must maintain compliance with the CCDF provider eligibility standards. Failure to maintain compliance shall result in your inability to participate as a CCDF provider.

PLEASE NOTE: This action only effects your ability to receive CCDF voucher payment and does not impact your ability to legally provide childcare.

Sincerely,

Beth Eiler, ACSW, LSW  
Deputy Director  
Bureau of Child Development

Cc *Appropriate Supervisor*  
CCDF Intake/Voucher Agent  
CCRR  
Educare Consultant  
BCD Technical Support  
File

*Date*

*Name*  
*Address*  
*City, State*

RE: Notice of Order  
(County Name)

Dear *Provider Name*:

You are hereby notified that the Division of Family and Children is rescinding the Notice of Order issued on \_\_\_(date of original letter)\_\_\_\_. You will be able to continue to participate as a child care provider in the Child Care Development Fund ("CCDF") Program

This decision is based on information provided demonstrating that you are now in compliance with the CCDF provider eligibility standards found in Indiana Code 12-17.2-3.5 et seq. To remain an eligible provider, you must maintain compliance with the CCDF provider eligibility standards. Failure to maintain compliance shall result in your inability to participate as a CCDF provider.

PLEASE NOTE: This action only effects your ability to receive CCDF voucher payment and does not impact your ability to legally provide childcare.

Sincerely,

Beth Eiler, ACSW, LSW  
Deputy Director  
Bureau of Child Development

Cc *Appropriate Supervisor*  
CCDF Intake/Voucher Agent  
CCRR  
Educare Consultant  
BCD Technical Support  
File